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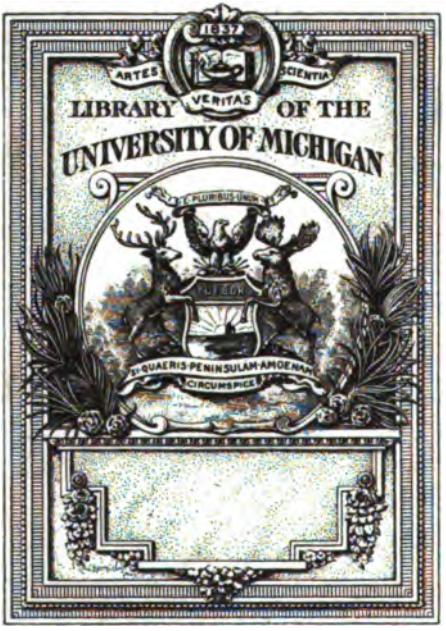
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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

EDITED BY

WILLIAM B. DANA.

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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

JANUARY, 1865.

CORNELIUS VANDERBILT.

The influence of one earnest, energetic life upon the world is scarcely appreciated. Where that life has given birth to some grand idea, we readily see the effect upon society. The inventor of the cotton gin, for instance, worked a revolution apparent to all wherever cotton cloths are made or used. But when one's life, though successful, is not thus signalized, its influence upon the present and future is not so readily appreciated. In a biography, too, we must fail to show it, for it is only now and then that the acts of even our most prominent men attain publicity. The steady flow of their lives carries with it a power felt by every one, although not always acknowledged or even known. Like the current of a river, noiseless though it be, yet making every object it touches on either bank bend beneath its influence, until the land itself is shaped by the river that thus flows through it, so the acts, views and purposes of all men, yes and the external and internal policy of the country itself, are shaped by the few who have a decided and single purpose in life, and the energy, perseverance and will faithfully to pursue it. To measure that influence—to state in every instance its extent and potency, is not, as we have already said, possible: yet by referring to their more public acts we can show, but only in part, the work that has been accomplished.

Especially is this true in the case of those eminent in the commercial world. Is not the progress and glory of this city inseparably connected with, and almost made up of, the lives and works of the merchants and commercial men who have held, and now hold, the foremost rank? Without the results they, and others like them in sister cities, have accomplished, would not the wealth of the country be still unproductive and its commerce undeveloped? Lawyers and politicians may claim and obtain the official positions, but if there is progress, the power that propels the ship must come from commercial men.

We place at the head of this article the name of one whose life has thus contributed very largely to the general prosperity of the country; a

name inseparably connected with our commercial history, and synonymous with the rapid growth of our merchant navy. His enterprise, genius and success are known and felt the world over, and we propose to follow the course of his life, briefly noting, in many instances, the motives of action as well as the acts themselves, and thus adding a valuable page to history, while furnishing incentives to young men everywhere.

The sturdy Knickerbocker habits of industry, developed so early, and forming, as it were, the corner-stone in the character of Commodore VANDERBILT, may be traced to his ancestors, who left Holland for America at an early period in the history of New York. His father, whose name was also CORNELIUS, settled on Staten Island, living very comfortably and pleasantly on his own farm. At that time the Island was divided into large estates, being worked by those living there, for the purpose of raising supplies for the city. Communication with New York was of course a necessity, and many of the Islanders, therefore, kept small sail-boats, for the purpose of carrying their products to market. As the inhabitants increased, other facilities for communication became necessary, and Mr. VANDERBILT, Sr., would, at times of leisure, undertake to convey those not having boats themselves. Out of this, and the demand for some public and regular communication, grew up a ferry, which he established in the form of a perryauger, departing every morning for the city and returning every afternoon.

In the meantime, however, and on the 27th day of May, 1794, a son, the subject of this sketch, was born to Mynheer VANDERBILT. Young CORNELIUS was not one of those sleepy babies, making no trouble (the pride of our Dutch ancestors) but very early showed that he had voice, will, muscle, and mind. As the days of his infancy merged into those of boyhood, his naturally ambitious temperament began to develope itself and assume shape. Books he did not seem to fancy. It was the practical of life rather than the theoretical that engaged his thoughts. Even thus early his aim appeared to be to strike out new and untried paths, rather than to walk along the well-worn old ones. A school was too confining for his restless nature, and neither the urgent entreaties of his mother, nor the more forcible logic of his father, could convince him of the great importance of a thorough school education. His disposition led him to draw his knowledge from another source, making nature his instructor: and so absorbed did he become in the execution of his many plans and ideas, that it was with difficulty he could find time for his meals.

But it was not until he was sixteen years of age that he entered upon his first independent business venture. Living upon the Island, being of necessity much upon the water, he early developed a fondness for that kind of life, as affording the widest scope for his ambition. Thus far he had acted for others, but now he wished to strike out for himself, and determined, therefore, to have a sail-boat of his own. He went to his father and made known his plan and desire. Little encouragement did he receive, his father deeming it rather a dangerous and uncertain business for so young a boy. Not discouraged, he continued to plead his cause with the greatest earnestness, and finally received the qualified promise that if he could accomplish a certain amount of work on the farm the money

should be furnished. The task set was no slight affair. To do it would require time—more time than he could consent to give, with his enterprise delayed. In the absence of his father, therefore, he determined to make the job a short one. Being popular with his companions in the neighborhood, young VANDERBILT imparted to them his secret, and summoned them to his aid. Meeting with a hearty response, they all went to work with a will, and soon completed the allotted task. At once he reported to his mother the successful achievement, and claimed the boat. Her aversion to his proposed business was as great as his father's, and she also tried to dissuade him. But it was of no use. His purpose was fixed, and fearing that if this cherished project fell through he might carry out his oft expressed intention of running away to sea, she gave him the hundred dollars as being the lesser evil. With the money in hand, he was soon at the Port-Richmond shore, where the selected boat was snugly moored to the dock. The purchase was made at once, and with a proud heart he took possession of his long-coveted prize. One can easily imagine the sensations of this boy of fourteen, as he first walked the deck of his little craft, and set sail for home. He was now a full-fledged captain—a man of business—dependent upon his own exertions. What visions must have danced through his head of future successes! But every picture has its shadows. As the little boat, freighted with so many hopes, was cutting its way through the water, a rock in the Kills was struck, and our, as yet, inexperienced sailor was only able to run the boat ashore before it sunk. Here was certainly a discouraging accident. Still, nothing daunted, the young captain at once brought to his service the needed assistance, and in a few hours all damage was repaired, and his little craft safe and sound at the Stapleton dock.

An important point had now been gained. No great work to be sure had been accomplished, but the means to an end were obtained. He had stepped out from under his father's care, and was the owner and captain of a boat. The world was now before him. Launched upon life's broad sea, his character must at once show itself. In every community there will be found three classes of young men: those who boldly put forth their energies and cleave for themselves a way through life; those who simply float along the play of every wind and tide; and those who sink at once. The latter class would have taken this little boat, enjoyed a pleasurable but brief existence, while indulging every folly and every passion of youth, and making a speedy shipwreck of their characters and hopes. Another, with little force of character, would have wistfully looked out upon the vast expanse before him, waiting for fortune to come, half frightened, leaning upon friends for support, and thus, by using these life-preservers, have been able just to keep his head above surrounding waves. But the hero in the strife makes good and bad fortune equally his servant. Striking always with a strong arm and a brave heart—prepared alike for failure or success—a way is soon cleared: even the most discouraging circumstances becoming subservient to his wishes. Thus, young VANDERBILT was now in a position to choose what should be his future: the question to be decided was, should he rise, float or sink. Many and varied difficulties at once beset him. Young and inexperienced as he was, he must necessarily compete with older heads, long used to the work, and with reputations made. He felt, therefore, that he could not simply float,

he must fight or fail, and feeling thus, at this early day, when but sixteen years old, he set up his first opposition line—a prophetic miniature of later efforts.

Of course, in such a position, and with such ideas, VANDERBILT could not be idle. He at once made the necessary effort to obtain business, and succeeded wonderfully. At that time, the fortifications of Staten and Long Islands were being built by Government, and the carrying of labourers to and from New York furnished work for him and his perryauger, which was quite remunerative. Amid, however, these first successes one fact troubled him. The money that bought his boat came from his mother; and this being so, he could not feel that perfect independence his spirit craved. Day by day, therefore, from his first earnings, he scrupulously laid by every cent that could be saved, for the purpose of returning this sum; and but a little time elapsed before he quietly placed in his mother's lap the hundred dollars. Probably a happier, prouder child never lived than CORNELIUS VANDERBILT at that moment; and he had certainly won the right to be so.

We thus see with what spirit and earnestness, this mere boy laid hold of the stern realities before him. His life was regulated by self-imposed rules, and with a fixedness of purpose as invariable as the sun in its circuit. Among other things he determined to spend less every week than he earned. We have already seen the first fruit of this careful management; but it speedily produced other results, for very soon he was able to extend his business, by purchasing with his savings a vessel of larger dimensions than his first little craft. Thus, for three or four years, he went on daily adding to his worldly means, until on his eighteenth birth-day, he found himself part owner and captain of one of the largest perryaugers in the harbor of New York, and shortly after became also interested in one or two other smaller boats engaged in the same business. In the meantime he almost lived on the water, carrying freight and passengers, boarding ships, and doing everything else coming within his line. Not satisfied with working all day, he undertook, and continued through the whole war of 1812, to furnish supplies by night to one of the forts up the Hudson, and another at the Narrows. In fact his energy, skill and daring became so well known, and his word, when he gave it, could be relied upon so implicitly, that "Corneile, the boatman," as he was familiarly called, was sought after far and near, when any expedition particularly hazardous or important was to be undertaken. Neither wind, rain, ice nor snow ever prevented his fulfilling one of his promises. At one time, during the war, (sometime in September, 1813,) the British fleet had endeavored to penetrate the port during a severe South-easterly storm just before day, but were repulsed from Sandy Hook. After the canonading was over, and the garrison at Fort Richmond had returned to quarters, it was highly important that some of the officers should proceed to headquarters, to report the occurrence, and obtain the necessary reinforcements against another attack. The storm was a fearful one—still the work must be done, and all felt that there was but one person capable of undertaking it. Accordingly, VANDERBILT was sought out, and upon being asked if he could take the party up, he replied promptly—"*Yes, but I shall have to carry them under water part of the way!*" They went with him, and when they landed at Coffee-House Slip, there was not a dry thread in the party. The next day the garrison was reinforced.

VANDERBILT also showed in these earlier days, what he has frequently exemplified in his later life, that he was very tenacious of his rights, and determined that no one should infringe them. On one occasion, during the same war, while on his way to the city with a load of soldiers from the forts at the Narrows, he was hailed by a boat coming out from the shore, near the Quarantine. Seeing an officer on board, young VANDERBILT allowed it to approach him; but as it came nearer, he saw that it belonged to one of his leading competitors, and that the owner himself was with the officer. Still he awaited their approach, preparing to defend himself in case of any unauthorized interference. No sooner, however, were they alongside of his boat than the officer jumped on board, and ordered the soldiers ashore with him in the other boat, for inspection, etc. Young VANDERBILT seeing that the whole affair was a trick to transfer his passengers to his competitor, at once told the officer that the men should not move, that his order should not be obeyed. The military man, almost bursting with rage, hastily drew his sword, as if about to avenge his insulted dignity, when young VANDERBILT quickly brought him, sword and all, to the deck. It did not take him many minutes more to rid himself of the officer and his companion, and quickly getting under way again his soldiers were soon landed, without further molestation, at the Whitehall dock.

But we have not room to dwell longer on these boyish exploits. They are important, however, as they forcibly illustrate the life and character of the man. Thus, the labors of young VANDERBILT having been rewarded with success, he now felt that the time had come when he might prudently carry out a long cherished wish. Having previously wooed and won Miss SOPHIA JOHNSON, of Port Richmond, Staten Island, they were married on the 19th of December, 1813. They settled temporarily on the Island, remaining there till the fall of 1814, when they moved to New York. About this time VANDERBILT became the master and owner of the new perryauger Dread, just launched, then by far the finest and largest craft traversing the bay of New York. In the summer of 1815 he built, in connection with his brother-in-law, DE FOREST, a schooner remarkably large for her day. This vessel justly elicited the praise of others, and the pride and satisfaction of its owners. It was called the Charlotte, was commanded by DE FOREST, and profitably employed as a lighter, carrying freights between numerous home ports. Thus up to the year 1817, with varied experience, but always with success, VANDERBILT continued interested in the business we have indicated, improving the construction of vessels, and adding to his reputation among nautical men. Seven years were passed in this manner, from the time he was sixteen till some months after his twenty-third birth-day, laboring incessantly. During the last four years he had laid up nine thousand dollars of his earnings; yet his ambition was by no means satisfied. A new element had within a few years been made subservient to the purposes of navigation, and quick to see the importance of this powerful agent steam, as thus applied, he determined to devote himself to exploring and developing its mysteries, as soon as an opportunity could be obtained. About this time he became acquainted with THOMAS GIBBONS, of New Jersey, a large capitalist, then extensively interested in the transportation of passengers between New York and Philadelphia. Very soon GIBBONS proposed to take him into his employ, and offered him the position of captain of a little steamer, at a salary of one thousand dollars a year. For

one who had always been his own master, and was then making enough to lay up nine thousand dollars in four years, such a position would appear to offer few inducements. And if he had studied alone his present interests, certainly he would have declined it at once. But as we have already stated, he was not acting with the expectation of obtaining an immediate return—he saw with his clear head the future triumphs of steam, and determined to participate in, if not direct them.

With such motives, in the Fall of 1817, VANDERBILT entered upon the duties of captain of his first steamboat. This boat was so little that its owner soon after changed its name, re-christening it "The Mouse of the Mountain." In a few months he was promoted, and put in charge of the Bellona, a much larger boat, being then just completed and ready for her trial trip. This vessel was at once employed on the Philadelphia line, in carrying passengers between New York and New Brunswick. About this time VANDERBILT left New York for Elizabethport, and after a residence at that place of a few months, moved with his family to New Brunswick, his business engagements requiring him to spend his nights there. It will be remembered that the passengers *en rout* for Philadelphia remained at New Brunswick over night, to be in readiness for the early stage to Trenton, where they again took boat for Philadelphia. Mr. GIBBONS himself owned the Stage House, where the passengers then remained over night, and of course the proper reception and treatment of travellers was an indespensable condition to the prosperity of the whole rout. He, therefore, having become unfortunate in the management of his hotel, shortly after VANDERBILT moved to New Brunswick, offered it to his new captain, free of rent, if he would, in addition to his other duties, take charge of it. VANDERBILT finally accepted this proposition, and continued at the head of the house during the remainder of his business connection with Mr. GIBBONS, conducting it so successfully that it proved a source of considerable profit. In 1827, while still in the employ of Mr. GIBBONS, he leased of him the New York and Elizabethport ferry for seven years, and ran it on his own account. At the end of that lease it was renewed for seven years more. This enterprize was managed so skilfully that it also brought him in large returns, although previous to his taking the lease, the working of the ferry had proved unremunerative.

In the meantime VANDERBILT began to think it was time for him to act for himself again. He had been in the employ of Mr. GIBBONS for twelve years, and during those years had, with such faithfulness, care and persevering industry, watched over the interests intrusted to him, that the line rapidly advanced in prosperity until then it was netting nearly forty thousand dollars a year. Every new boat constructed under his supervision, was made better and fleeter than its predecessors, enabling him to drive away all opposition, while his quick and active mind took hold of every new circumstance arising, making it subservient to his purposes.

To understand some of the difficulties with which VANDERBILT was surrounded, at the time he first became captain of the Bellona, we must recall the early history of steam navigation. It will be remembered that in 1798, an act was passed by the Legislature of New York repealing a previous act, and transferring to Mr. LIVINGSTON the exclusive privilege of navigating the waters of the State by steam. This act was from time to time continued, and FULTON was finally included in its provisions. In 1807,

after the trial trip of the Clermont, the Legislature, by another act, extended this privilege, and in the following year subjected any vessel propelled by steam to forfeiture, which should enter the waters of the State without the license of those grantees. These acts were in force when VANDERBILT entered the employ of Mr. GIBBONS, and the Philadelphia line violated the privilege thus granted, in case the boats stopped at the city of New York; and, hence, for a long time, whenever VANDERBILT ran a steamer in on the New York side of the river, as he was instructed by the owner to do, he was arrested if he could be found. As an expedient, to avoid arrest, he taught a lady how to steer the boat, and when it neared the New York dock, he would turn it over to her charge, and disappear himself; so that the officers were frequently compelled to return their writs against him "*non est.*" At this time, it will also be remembered, the New York Court of Errors had pronounced these acts constitutional, the New Jersey Legislature had passed retaliatory acts, and a suit against GIBBONS was in progress in the United States Court. To make this line prosperous under such difficulties, and against such opposition, was, of course, no ordinary task. Still it was at once accomplished as we have stated. At length, and in 1824, the GIBBONS case was decided, Chief-Justice MARSHALL delivering the opinion of the Court, to the effect that, under the Constitution of the United States, no State could grant an exclusive right of navigation, by steam or otherwise, on any of the principal rivers of the country; and, as a consequence, navigation on the Hudson and elsewhere became free to all. With this obstacle removed, VANDERBILT went to work with renewed vigor, steadily pushing forward his employer's enterprise, until it produced the remarkable revenue noted above.

Thus having labored faithfully for others with such brilliant results, he now felt at liberty to look after his own interests more exclusively, and to commence business again on his own account. Therefore, in 1829, he informed Mr. GIBBONS of his plan to leave him.—"You must not," he replied, "I cannot carry on this line a day without you." He then offered to increase his salary to five thousand dollars, or more, if money was his object. But VANDERBILT had thought well before he decided on the step he was about to take, and at once refused the offer. Finally, GIBBONS told him he could not run the line without him, and that he might have the Philadelphia rout, saying, "There, VANDERBILT, take all this property, and pay me for it as you make the money." This tempting offer was also declined, for he was unwilling to put himself under such an obligation to any one, although fully sensible of the great kindness that prompted it. Thus ended VANDERBILT'S engagement with Mr. GIBBONS, and soon after Mr. GIBBONS sold out the line to other parties, finding that the life of it was gone.

Once again the captain was now his own master. He had served a long time in a severe school to make himself thoroughly acquainted with the details and practical management of steam navigation. The next twenty years of his life we must pass over rapidly. At once applying himself to the work before him, with the same wisdom and that earnest, steadfast zeal he had ever shown, successful results followed. During this period he built a very large number of steamboats, and established steamboat lines on the Hudson, the Sound and elsewhere, in opposition to corporations and companies having a monopoly of the trade, and making travel too expensive to

be enjoyed by the many. His plan was always to build better and faster boats than his competitors, to run them at their lowest paying rates, and thus furnish passengers with the best and cheapest accommodations. That he has made enemies in doing this we will admit, but that society at large has been greatly benefitted thereby, we fearlessly assert. We do not claim that VANDERBILT by his every act has sought alone the public welfare —that he has never allowed himself to be influenced by self interest—but let the man that is without sin in this respect (if sin it be) cast the first stone. Besides, as we have already said, the great result of his opposition has been decidedly good to the country. Commercial growth presumes rivalry, and there can be no healthy trade without competition. Brand every man with approbrious epithets who undertakes to compete with another, and their will be an end to all enterprize—an end to our prosperity and growth as a nation. The property of individuals or corporations may suffer in the conflict, but the country at large does not and should not care for that, so long as it is better served—so long as the great result is progress.

Thus engaged, these twenty years were past, contributing greatly to the rapid growth and development of steam navigation. In the meantime, the gold of California had been discovered, and the rush of passengers and the pushing forward of merchandise to that remote portion of our country necessitated the building of the Panama Railroad, and the establishment of the Pacific Mail Steamship Company to run in connection with it.* The immense travel over this route led VANDERBILT to determine to seek another transit route, in connection with which he could put on a competing line between New York and California. With this intention on the 12th of August, 1849, he obtained from the government of Nicaragua a charter for a ship canal and transit company. This charter was subsequently amended by additional stipulations granting to CORNELIUS VANDERBILT and his associates the exclusive right to transport passengers and merchandise between the two oceans by means of a railroad, steamboats, or otherwise, and separating the transit grant from the canal grant. In 1850 VANDERBILT built the Prometheus, and left in her on Christmas day of that year for Nicaragua. The party were three weeks exploring the region, and during the whole of that time they were either on foot, on horse-back, or in an open boat, satisfying themselves of the practicability of the route. The original plan was to make Realegjo the Pacific port, but finally the then but little known harbor of San Juan del Sur was fixed upon. Thus having explored and mapped out the transit route from ocean to ocean, he at once went to work to put the line in operation. Having built the little steamboat Director to run up the San Juan River, he towed it all the way to Nicaragua, and personally superintended the laborious, wearisome, and difficult task of taking her up over the rapids. This accomplished, the transit company was formed, the route was opened, and a semi-monthly line to California, via Nicaragua, was established in July, 1851. We can scarcely appreciate now the difficulties of this undertaking; yet all will agree that it required a man with a clear head, and a will that never yields to obsticles, to plan and execute it. Under his management, also, the route became a favorite one, and the price of passage between New York and San Francisco

* The Railroad was surveyed in 1849, and finished in 1855. The P. M. steamships ran in 1848.

was permanently reduced from six hundred to three hundred dollars. He constructed very many first-class steamers for both the Pacific and Atlantic sides of this line, and it was continued in successful operation until January 1st, 1853, when VANDERBILT sold his steamers on both sides to the Transit Company. After that he acted as the company's agent for a few months, and then his connection with it ceased, until January, 1856, when he was chosen president. In the meantime, WILLIAM WALKER had landed in Nicaragua, and VANDERBILT having taken ground against his "filibusterism," and refused to carry his men and munitions, WALKER issued a decree on the 18th of February, 1856, annulling all grants to the company and the acts of incorporation. After this there was a long series of plots and counter plots, all of which would be interesting in a history of Wall Street, but we have not room for it here. We will add, however, that very many unsuccessful attempts were made by different parties to obtain the right to open this route, until finally, when every difficulty of that kind had been removed, it was found to have become almost impracticable—a sand bar having formed at the mouth of the San Juan River.*

About the time VANDERBILT sold out his interest in the Nicaragua California line he had laid the keel of a new steamship, to be called the North Star. She was built, as all his vessels have been, under his own supervision in a very complete manner, and splendidly fitted up with all that could tend to gratify or please. He had now become a man of great wealth. From the little boy of sixteen with his hundred dollar sail-boat, he had gradually but surely crept up, accumulating and so using his accumulations, that now his vessels plowed almost every sea, and his enterprising spirit was felt in every part of our country. It has never been his plan to put away his money in a chest, nor yet to simply invest it, but rather, in the fullest sense of the word, to use it. Consequently, it is said that to-day he employs more men, directly and indirectly, than any other person in the land. Having, then, from so small a beginning, worked out such great results, he proposed in May, 1853, to make the tour of Europe, with his family, in the North Star. The undertaking was a novel one, and yet, as has been said, in some respects a grand one. By means of this excursion a display of American enterprise and skill was made which was of essential service to the country. But besides that, for a single individual, without rank, without prestige, without national authority, to build, equip, and man such a noble specimen of naval architecture, and to maintain it before all the courts of Europe with dignity and style, was an extremely happy and suggestive illustration to the old world of what the energies of man may accomplish in this new land, where they are allowed to have full play, uncramped by oppressive social institutions, or absurd social traditions. CORNELIUS VANDERBILT is a natural, legitimate product of America. With us, all citizens have full permission to run the race in which he has gained such large prizes, while in other countries they are trammeled by a thousand restrictions.

For the purposes, then, of this excursion the North Star was built and furnished. This was the first steamer fitted with a beam engine that ever attempted to cross the Atlantic. Many steamship men considered engines thus built impracticable for ocean steamers, but VANDERBILT, by his experi-

* This route is, however, now used, passengers being landed in small boats.

ments on this and many other vessels, has, we think, established the fact, that they are eminently suited for sea purposes as well as river navigation. But we shall not attempt any description of the capabilities, or of the beauty and elegance of this vessel as it then was.* It is enough to say it was perfect in all departments. Thursday, the 19th of May, 1853, was the time fixed for sailing, but as she was leaving her berth the strong current of the ebb tide caught her on the quarter, and swung her upon a reef of rocks at the foot of Walnut Street. The damage being slight, however, was soon repaired, and on the following day she was on her way to Southampton. To give an account of this excursion, or even a small portion of what was seen or was said, would require more space than we can spare, and besides is foreign to our purpose. In almost every country visited they were received by all the authorities with great cordiality, as well as great attention. At Southampton the North Star formed the topic of conversation in all circles, and the party was honored with a splendid banquet, at which about two hundred persons sat down. When in Russia, the Grand Duke CONSTANTINE and the Chief Admiral of the Russian Navy visited the ship. The former solicited and obtained permission to take drafts of it, which duty was ably performed by a corps of Russian engineers. In Constantinople, in Gibraltar, and Malta, the authorities were also very cordial and polite. But in Leghorn (under the government of Austria) the vessel was subjected to constant surveillance, guard boats patrolling about her day and night—the authorities not being able to believe that the expedition was one of

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* We give the following, however, from articles published in English papers after the arrival of the party at Southampton, showing the opinions, on these points, of those who are certainly not inclined to flatter Americans.

In regard to the peculiarities of the vessel, the *London Times* of June 8, 1853, says:

"Most of the old fangled notions of builders of English ocean steamers are completely discarded in the North Star; and although it may be questionable whether the adoption of so much of the principle of the American lake and river boats into the uses of trans-Atlantic steamships is, in the long run desirable, yet it is certain that this beautiful ship is in the highest degree worthy of attention. * * * * Her model is the perfection of nautical beauty, and gives promise of the highest speed at the least expenditure of motive power."

In regard to the interior of the vessel the same article says:

"The fittings of the cabin are the especial theme of admiration of most of the visitors, and it is difficult to believe that any royal or imperial yacht could be supplied with greater luxuries or conveniencies, or with greater taste and elegance."

The *London Herald* of the same date says:

"The North Star is one of the finest steam yatchs ever seen. She is fitted up in the most gorgeous style."

The *London Chronicle* of June 9, 1853, says:

"The saloons and furniture appeared yesterday magnificent in the extreme. Everything on board the North Star is American, and it is very evident that in many of the useful and ornamental arts the Americans are our equals in point of taste and skill."

The *London News* of June 8, 1853, has the following:

"Handsome flights of stairs lead to the saloon, which is larger and more magnificent than the saloon of any ocean steamer afloat, and even surpasses in splendor the Queen's yatch, the Victoria and Albert. The carpets and furniture are superb, etc."

We might multiply these extracts indefinitely, but have given enough to convey an idea of the vessel in the estimation of Europeans.

pleasure, but imagining that the steamer was loaded with munitions and arms for insurrectionary purposes. Thus, after a very charming and delightful excursion of four months, they returned home, reaching New York September 23, 1853, having sailed a distance of fifteen thousand miles. This certainly was an expedition worthy and characteristic of the man who undertook it, and met with that decided success which his efforts ever seem to ensure.

This visit of Commodore VANDERBILT to Europe satisfied him that the interests of our growing commerce required that the facilities of communication between Europe and America should be increased. Consequently, soon after his return he made an offer to the Postmaster General to run a semi-monthly line to England, alternating with the Collins line, carrying the mails on the voyage out and home for fifteen thousand dollars. It will be remembered that the Cunard line was at that time withdrawn from the mail service on account of the Crimean war, and his plan, therefore, was to provide for weekly departures, filling up those thus left vacant. This proposition, however, was not accepted; nevertheless, not willing to abandon the idea, on the 21st of April, 1855, he established an independent line between New York and Havre. For this purpose he built several new steamships, and among them the Ariel, and finally the Vanderbilt, and the line was kept up with great spirit and very successfully. Subsequent to the building of the Vanderbilt, there was an exciting contest of speed between the boats of the different lines. The Arabia and Persia, of the Cunard, the Baltic and Atlantic, of the Collins, and the Vanderbilt of the Independent line, were the competitors. Great interest was taken in the contest, as all will remember, but the Vanderbilt came out victorious, making the shortest time ever made by any European or American steamer.

The subsequent history of this vessel, and the use which is now being made of it, is well known. In the Spring of 1862, when the administration needed, immediately, large additions to its navy, to aid in carrying on its military operations, (an occasion which many were too eager to turn to their own advantage, at their country's expense,) Commodore VANDERBILT illustrated the nature of his whole-souled patriotism, by making a free gift of this splendid ship to the Government. The following resolution of thanks, passed by Congress, and approved by the President, January 28, 1864, is a fitting, though late, acknowledgement of his magnificent gift:

Whereas, CORNELIUS VANDERBILT, of New York, did, during the Spring of eighteen hundred and sixty-two, make a free gift to his imperilled country of his new and staunch steamship "Vanderbilt," of five thousand tons burthen, built by him with the greatest care, of the best material, at a cost of eight hundred thousand dollars, which steamship has ever since been actively employed in the service of the republic against the rebel devastations of her commerce; and whereas the said CORNELIUS VANDERBILT has in no manner sought any requital of this magnificent gift, nor any official recognition thereof,—Therefore,

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the thanks of Congress be presented to CORNELIUS VANDERBILT, for his unique manifestation of a fervid and large-souled patriotism.

SEC. 2. *And be it further resolved*, That the President of the United States be re-

quested to cause a gold medal to be struck, which shall fitly embody an attestation of the nation's gratitude for this gift; which medal shall be forwarded to CORNELIUS VANDERBILT—a copy of it being made and deposited for preservation in the library of Congress.

How appropriate it seems that the man who has spent his life in developing the commerce of the country, should give this, his best effort, for the defence of that commerce! He may be sure his country will never forget it.

But time would fail us were we to attempt to speak of all the prominent acts, and varied interests, in steamboats and steamships, of Commodore VANDERBILT during his life, or even for the last few years—nor is it necessary. Wherever a line could be established profitably, he has always been ready to undertake it. He has built and owned, exclusively himself, upwards of one hundred steamboats and steamships,* and has never had the misfortune to loose one of them by any accident. He has extensive machine shops, where he makes his own machinery, according to his own ideas, and his vessels have been generally built by days' work, under his constant supervision, and from plans entirely his own. Consequently, there have never been wanting those who have predicted disaster at every new launch. The North Star, we were told, would certainly go to the bottom, with all the excursionists on board. The Ariel could never cross the ocean; while the Vanderbilt was a dead failure. Still they have all managed to sail regularly, safely and speedily. It is his practice to employ the most deserving and trustworthy commanders, and never to insure a vessel or cargo of any kind —believing that good vessels and good commanders are the best kind of insurance; and, more than that, if corporations can make money in the business of insurance, he can.

His time and money have not, however, been alone employed in developing the steamship interest. Railroads, and all other commercial enterprises, have received a large share of his attention. In fact, wherever his money would do the most work, there he has ever placed it; thus greatly extending and invigorating every commercial interest. Of late years, however, and especially since the commencement of this war, he has been gradually retiring from the shipping business, and within a few months has sold his last steamship, transferring a much greater proportion of his wealth to railroads, until now he is the largest railroad proprietor in the United States. The steamboat king is thus turned into a railroad king, as Wall

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* The following are the names of the principal steamboats and steamships built by him:—

Steamships.—Prometheus, Daniel Webster, Star of the West, Northern Light, North Star, Granada, Ariel, Vanderbilt, Ocean Queen, Galveston, Opelousa, Magnolia, Metagorda, Champion, Costa Rica, Port Jackson, New York.

Steamboats.—The Citizen, Cinderella, West Chester, Union, Nimrod, Champion, Lexington, Cleopatra, Augusta, Clifton, C. Vanderbilt, New Champion, Commodore, Gladiator, Staten Islander, Huguenot, Sylph, Hunchback, Red Jacket, Kill Von Kull, Westfield, Clifton No. 2, Westfield No. 2, Clifton No. 3, Cornelius Vanderbilt, Wilmington, North Carolina, Geo. Dudley, Traveler, Director, Central America, Clayton, Bulwer.

Street well understands. His property has, in the meantime, accumulated rapidly. Perhaps there are two or three men wealthier than he in New York city —but no more; and all of this vast wealth is the product of his own labor.

Were we asked the secret of this success, we could answer it no better than by pointing to the history of his early life, which we have already given. As a boy, we have found him an indefatigable worker, ever exhibiting remarkable judgment, inflexible will and untiring perseverance; full of enterprise, self-dependent and self-reliant. The prize, therefore, was clearly his from the beginning. GEORGE STEVENSON would never allow that he possessed any faculty pre-eminently except perseverance. We cannot agree with him in this estimate of himself, and yet admit that the man who is never discouraged, even though the prospect be dark and gloomy, possesses one great requisite for success, and has an immense advantage over his timid neighbors. But still, one may walk forever on the wrong road and not reach the desired haven; the power to judge correctly is, therefore, as necessary as perseverance. In this particular Commodore VANDERBILT has ever excelled. He appears to possess an intuitive judgement of men and things. Consequently, all his plans are first carefully considered; every possible contingency provided against; so that when he executes them he strikes with a strong arm, because a confident one. We see this illustrated in the first efforts of the boy, and in every conflict and undertaking of the man. With, then, such judgment, and with the energy and perseverance he has ever exhibited, unusual success was the natural result.

Yet amidst his close and continued application to the business of life, the kindly feelings of childhood have remained unchanged. The eagerness with which he has anticipated every desire of an aged mother, is only an evidence of the heart within him. He was as devoted to her in manhood, as she to him in early youth. The pretty home-like cottage constructed for her under his eye, and in accordance with the taste of both, surrounded by luxuriant vines and evergreens, was a continual joy to her during her life. There, near her old home, and overlooking the water, the scene of his early exploits, she happily lived, tenderly cared for, and only a few years since as happily and peacefully died. How consistent with all his conduct towards her was the thoughtfulness which prompted him, upon returning from his triumphal tour of Europe, to stop the steamer in passing up the bay, and give that mother his first greetings, and receive her welcome home. Few, as they read at that time the newspaper accounts of his arrival, could have failed to notice, among the more exciting items, the statement of this simple fact, and to feel that it was an honor to the son as well as to the mother.

This same kindliness of feeling he has always exhibited in every other position in life. Deceit and underhand dealing he has ever quickly detected and thoroughly hated, but frankness and honesty of speech and act have been sure to find a ready and kind response. During all his contests with men, he has exemplified the truth of this, ever being ready to act with the greatest generosity, when thus approached. A certain captain, interested in a line of boats to Hartford, took steps which VANDERBILT considered dishonorable, to injure his line of boats to the same place, and therefore VANDERBILT determined to run him off, and did it. About that time, Captain BROOKS, who is an intimate friend of the Commodore, met the defeated party and asked him how he got on. "Why, I have put my hand in VANDERBILT'S mouth, and of course I must give up," he replied. "But,"

said BROOKS, "go and see him, and if you are frank to him, he will be generous to you." "Go!" said he, "he would not see me." Yet afterwards he concluded to go, and, sure enough, he came back not only with the difficulty healed, but with obligations conferred, which he will very long remember.

Many other similar instances might be mentioned, but it is needless. All remember the account of the storm which overtook the Ariel in 1859, on her voyage from Havre. After the vessel had received severe damage from the fury of the gale, and those in command were exerting themselves to their utmost to avert the destruction that threatened, a tremendous sea broke upon the forward deck, causing a fatal injury to Captain LUDLOW. He only revived sufficiently to say a few words, the last of which were, "Tell the Commodore I died at the post of duty." These words proving, as they do, the unflinching devotion of Captain LUDLOW, speak also very strongly in praise of the one to whom the message was sent. The man who can inspire another with so noble a sense of the trust and responsibility committed to him, must possess great warmth of heart as well as strength of mind.

THE NATIONAL FINANCES.

BY HON. AMASA WALKER.

Two things are alike indispensable in war, men and money. So said the great JULIUS before the Christian era, and if true then, how much more so now.

The expenses of war increase as civilization and the arts advance, and, as these are rapidly progressing, so are the expenditures incident to war. An old line-of-battle-ship, such as those with which NELSON fought at the Nile, cost a hundred thousand pounds, but a "Warrior," a modern iron-clad, requires a million sterling. A forty-eight pounder was once a formidable gun, but now we talk familiarly of shot weighing half a ton. In time of peace, a standing army costs one thousand dollars per man annually; in time of war, vastly more.

Such being the case, the finances of a nation become a matter equal in interest to that of its military force. The two cannot be separated; the latter is dependent on the former. You may, indeed, have money without men, but cannot have men without money. To every one who can comprehend the condition of our national finances at the present time, they become a matter of greater anxiety than the military resources of the government.

Our finances are depressed; from what cause?

They ought to be restored; in what way?

These two questions we propose to answer.

That the finances are depressed, cannot be a matter of dispute. The price of gold at the time of writing this is quoted at 240. One thousand dollars in gold will purchase $2,400 of United States bonds bearing in-

terest at six per cent, payable in coin. This is sufficient evidence of the great depression of the public stocks.

In examining into the causes of this extraordinary depression we shall endeavor to speak plainly. Deception is not patriotism, and the good of the country does not require false statements, or specious arguments. It is true of a nation as of an individual, that nothing is gained by self delusion. The individual who finds himself embarrassed, if he is a wise man, will look carefully into his affairs, and ascertain, as near as possible, just how he stands. He will exercise the utmost scrutiny to know the best and worst of his condition. He will not hesitate, or fear to do this. Just so should it be in regard to national difficulties.

In order to accomplish the object proposed it will be necessary to give a brief history of our financial operations since the commencement of the war.

Many false statements have been made in regard to the condition of the Treasury at the time Mr. CHASE came into office. It has been said that the country was then in a very flourishing condition, "the Treasury well supplied, the national revenue abundant." All this is untrue. The national Treasury was empty. It had been robbed. It was deranged in all its departments. There was no adequate system of taxation, and the revenue from customs had been almost annihilated. The six per cent stocks were sold as low as 83 cents; five per cent at 75 cents. The public debt was $100,000,000.

And yet under these circumstances, a fearful avalanche of expenditure was hurled upon the Treasury. An army of 500,000 men was to be raised, armed, equipt, and supported. No financier in all history ever had such responsibilities to meet as Secretary CHASE. The labors that devolved upon a COLBERT, NECKAR, CARNOT, or PITT, were light compared with those of the American Minister of Finance.

No public man in the nation practically unacquainted with the laws of currency and finance, was perhaps better qualified to meet the crisis than Mr. CHASE. His character and antecedents inspired universal confidence, and his personal appearance and bearing were in the highest degree favorable to the successful discharge of the duties that devolved upon him.

THE BANKS LOAN THEIR WHOLE CAPITAL TO THE GOVERNMENT.

But under such depressing and difficult circumstances, what could the Secretary do? As there was no money in the Treasury he must go abroad and get it. He went to the banks of the three great commercial cities. Where else could he go? The banks responded in the most prompt and patriotic manner. Their generous conduct ought never to be forgotten. They loaned $50,000,000, and when that was gone $150,000,000 more—finally, indeed, they loaned *all their capital* to the Government; for the next annual returns will doubtless show that the banks of the loyal States hold a larger amount of stocks than their aggregate capital; not that every bank has loaned all its capital in this way, but some have loaned much more, so that in the aggregate, we doubt not it is strictly true, that the banks hold a greater amount of governmental securities than the sum total of their capital stock.

But all this amount, so liberally furnished, was but a small part of what

was needful to meet the demand of the war, and by authority of Congress, Treasury notes (greenbacks) were issued. In this manner matters went on quite comfortably until the last day of 1861, when the Government and banks suspended specie payment.

MR. CHASE UNJUSTLY CENSURED.

Blame has been thrown upon Mr. CHASE for this suspension, but quite unjustly. That he might by some arrangement with the banks, in regard to the circulation of their notes, have postponed the suspension for a short time, we do not doubt; but it could not have been long avoided. Mr. CHASE had a broken down currency to start with. The banks of the United States on the 1st of January, 1861, had $459,000,000 of immediate indebtedness, while they held but $87,000,000 of specie, equal to but 19 cents on the dollar. How was it possible to go through a great war with a currency of so little strength? It could not be done. Suspension was inevitable.

The Government and banks having stopped specie payments, a new state of things was inaugurated. At first the banks contracted their engagements, in view of a speedy resumption, but the Government went on issuing its notes, as it was obliged to do, and it soon became evident that no resumption would take place. The banks, therefore, changed their policy, and increased their own issues.

RISE OF PREMIUM ON GOLD.

The currency of course was expanded, and in a short time, say in about two months, there began to be a small premium on gold. In June it had advanced to 2½ per cent, and from that time rose rapidly. The Government continued to issue greenbacks to meet the pressing exigencies of the nation, the banks issued their notes to increase their dividends, and between them both, on the 1st day of December, 1862, they had carried the premium up to 33⅓ per cent.

This was an alarming state of things. All who could appreciate the condition of the currency felt it to be so. An important crisis had arrived, and it was as certain as anything could be, that the financial policy of the Government must be changed, or national insolvency would ultimately be the consequence.

CONGRESS ASSEMBLES.

This was perhaps the gloomiest hour of the great struggle. Every thing seemed adverse to the national cause, and its best friends were despondent. Congress assembled. The members felt the solemnity of the crisis, and the majority were ready to do anything which the Secretary of the Treasury should recommend. Bold and efficient measures were indispensable, and had such been brought forward by Mr. CHASE, they would have been carried, for there was no lack of confidence in the Secretary, or want of cordiality between the different branches of the Government.

Up to this point the management of Mr. CHASE had secured as much success as could reasonably have been expected. He had used a feeble and defective bank currency wisely, and had issued the Government notes only as the most imperative necessity required. But this course could be

safely pursued no longer. The frightful premium on gold of 33½ per cent was an unmistakeable indication, that although he had been able to furnish thus far the funds required to carry on the war, it was a temporizing policy which should no longer be followed. Unless the rise in the price of gold, and of course of all other commodities, could be arrested, the Government would grow weaker and weaker.

The credit of every Government is more or less depressed in time of war. It has always been, and always must be so. The expenditures are vast, the consumption of capital rapid, the duration of the contest always uncertain, the fortune of war constantly varying, and the final results wholly unknown. It is not possible that public credit should be unaffected by such adverse circumstances. And this must be especially true of a Government suddenly plunged into the most fearful conflict in human history. The wonder is not that the credit of the nation suffered so much, but that it suffered so little—that the capitalists of the country responded so cheerfully and heartily.

Had the bank currency of the country been reliable at the commencement of the war, it might have been kept so without difficulty, and there would, of course, have been no premium on gold. The prices of all commodities being determined by a correct standard, the national expenditures would have been lessened, and whatever of depreciation there really was in the national credit, would have shown itself in the discount at which Government bonds would have been negotiated.

THE GOLD PREMIUM HAS TWO ELEMENTS.

But it was far otherwise, and a heavy premium on gold and corresponding rise in prices were the necessary consequence. It is important to understand that this premium on gold, so irresistable in its influence, in the present case, is composed of two elements; first, that which arises from a redundant currency; secondly, that which comes from the depreciation of the public credit incident to a state of war. But from whichever cause it may arise, its effects upon the national finances are equally unfavorable. These effects we must notice.

EFFECTS OF THIS PREMIUM.

1*st. Effect on prices.* All commodities advance in price as the standard by which they are measured declines in value. When it requires two and a-half dollars of the currency to purchase one dollar in gold all commodities will advance in proportion—that is two and a-half times above their natural price.

2*d. Effect on governmental expenditures.* These are increased in the same proportion, and the Treasury is therefore obliged to disburse twice and a-half as much as would be required if its purchases were made with a currency equivalent to gold—that is, with a sound or convertible currency.

3*d. The effect on the national debt.* That is growing twice and a-half as fast as it would be if the standard were gold instead of paper, or mere credit. Debt to the amount of one dollar is created for every 40 cents of value received by the Government—certainly a wasteful mode of conducting the most stupendous war the world has ever seen.

4th. The effect on labor. The wages of the laborer are not raised as much as the commodities which he consumes. Wages are higher than they would be under a value currency, but not as high in proportion as all articles of commerce. Why is this? For the reason that for all commodities there is both an actual and a speculative demand, while for labor there is only the actual demand. The speculative demand always enhances the price of property, but the wages of labor cannot be bought up and held like flour or coffee for a rise, and, therefore, it is that the laborer is certain to suffer from any inflation of the currency which induces speculation.

5th. Effect on imports. A redundant currency always increases importation, especially of luxuries, and causes a demand for gold for exportation. It is commonly supposed that importations are greatly influenced by tariffs; but the statistics of the national Treasury show indisputably that importations are governed by the currency. The larger the volume of the currency the greater the amount of foreign imports. Nothing is more certain than the operation of this law.

6th. The effect on speculation. As we have already intimated, a redundant currency induces speculative operations, and these become wild and extravagant as the quantity becomes excessive. It is a certain and inevitable consequence which cannot be avoided. It has always been, and always will be so. It is an effect. Many persons denounce speculation and the speculator, but that is entirely idle. The thing to be denounced is the cause. Every man and woman, in every sphere of life, may, and in fact, does speculate.

When prices were constantly rising from day to day, and the prudent housewife sent to the grocery for five pounds of tea instead of one, because "every thing is rising," she speculated as truly as the grocer who purchased fifty chests of tea instead of ten, for the same reason. Under such great excitement as a vast inflation of the currency causes, it may be literally said, that speculation is universal, and its effects highly prejudicial to the public morals and public interest; but remove the cause, and you remove the evil. Preserve a sound currency and speculative gambling will be almost unknown. With these remarks upon the effects of a premium on gold we return to our review of the national finances, and would recal the condition of things on the 1st day of December, 1862, when the 37th Congress assembled for its last session.

WHAT THE SECRETARY ASKED FOR.

As we have before said, it was a dark hour in our history, and it was evident to all who could understand the signs of the times, that the financial policy of the Government should be greatly changed.

The first object should have been reduce the currency, and bring back gold to par. This was a *sine qua non;* yet the Secretary had no proposal of the kind to make, but in the bill "to provide ways and means for the support of the Government," he wished for loans, Treasury notes on interest, Treasury notes not on interest (greenbacks,) fractional currency, and subsequently, for a system of National Banks.

LOANS GRANTED.

The bill was debated through the session, but finally loans to the amount

of $900,000,000, 10-40 coupons, 6 per cent, payable in coin were authorized. This was well. Coin had been previously given for interest, and it was not practicable then, perhaps, to change the policy, but it was nevertheless a mistaken one at the outset. The Government should never have recognized any difference between its own notes and specie. Greenbacks should have been sufficiently good for all purposes, for the soldier and the capitalist, the importer and the manufacturer.

TREASURY NOTES.

Another proposition was for $300,000,000 of Treasury notes of ten dollars and upwards, bearing interest, payable semi-annually in coin at the rate of one and a-half cent per day, or 5.47 per annum.

When this measure was brought forward it was objected by a member from Massachusetts, that the rate of interest was an unusual one, to which the people were not accustomed, and was less than the common rate, and therefore would not be satisfactory; that the interest was payable semi-annually, which, on small notes, would be inconvenient and expensive; was payable in coin when it should be payable in lawful money.

COMPOUND INTEREST NOTES PROPOSED.

Instead of this, the objector proposed—

1st. That the notes should be issued payable in three years, principal and interest.

2d. That they should bear six per cent compound interest.

3d. That principal and interest should be paid in lawful money.

4th. That interest for each six months should be computed and engraved on the back of each note.

5th. That they should be paid out to contractors, soldiers, officers, and other creditors of the Government, so that they might secure a wide diffusion.

If these notes were so issued, it was argued that they would be *hoarded*; that they would inflate the currency but little, if any, as they would be laid by for investment by all who could afford to keep them, and thus be demonetized; that such notes were precisely what all persons having trust funds, like executors, guardians, trustees, etc., would wish to obtain and hold; that they would be especially acceptable to savings banks, who by retaining these notes would be drawing compound interest, and yet be ready at any moment to meet such calls as might be made for their deposits; that they would, in short, constitute a popular loan to the Government, and thus aid the national Treasury; while at the same time millions of people would thus become personally interested in the stability of the public finances—a matter of no small moment in a time of great distress and embarrassment; and lastly, that they would not interfere with any other Government loan.

The bill was recommitted, and finally reported with authority to issue $400,000,000 of Treasury notes of $10 and upwards, at a rate not exceeding six per cent, payable not exceeding three years.

MORE GREENBACKS AUTHORIZED.

In the same bill authority was given to issue $150,000,000 of Treasury

notes without interest, (greenbacks,) and $50,000,000 of fractional currency. The act was approved March 3, 1863.

Besides this, Mr. CHASE had on hand some $300,000,000 of 5-20's previously authorized, making in all, $1,200,000,000.

Such, however, had been the delay of Congress in acting upon the finance bill, such the expansion of the currency in the meantime, and such the discouraging aspect of military affairs, that gold on the day of the adjournment was at a premium of 65 per cent.

How did the Secretary use the vast power placed in his hands by the national Legislature? The ample provisions, which, despite a violent opposition had been made by Congress, inspired confidence amongst capitalists, and the 5-20 bonds sold rapidly. They became more popular from week to week, until the subscriptions amounted to two or three millions per day.

These sales reduced the circulation, as they were made for greenbacks, and gold rapidly declined to about 40 per cent. The victories of Gettysburg and Vicksburg, which took place about the 4th of July, gave additional impetus to the fall of gold, and it went down to 23½ during that month.

THE 10-40'S ISSUED AT FIVE PER CENT.

The condition and prospect of the Treasury was now encouraging, and it seemed only necessary that Mr. CHASE should go forward in the same direction to secure all the funds the Government required. The 10-40 bonds were even more desirable, if issued at 6 per cent, as the Secretary was authorized to issue them, than the 5-20's. If promptly put into market they would have sold as rapidly. But Mr. CHASE seems to have supposed that the 5-20's having sold so well, he could issue the 10-40's at five per cent, and thus make a large saving to the Government; and he accordingly fixed the rate of interest at five per cent. This proved, as all shrewd financiers expected, a great mistake. The demand for bonds fell off at once from two millions to two hundred thousand per day, notwithstanding they were widely advertised. But this was not all, nor the worst of the matter. By issuing these bonds at five per cent instead of six, the Secretary virtually depreciated his own currency by the difference, because it required 1.20 in greenbacks to purchase an equal income or interest on five per cent, which 1.00 would purchase on bonds bearing interest at six. Consequently the price of gold was thereby raised 20 per cent, and of course the price of all the Government must purchase to carry on the war. The economical intention of the Secretary proved a most uneconomical operation for the country. The popular current seemed to be running strongly in favor of the Government credit while the sale of the 5-20's was going on, but the 10-40's offered at five per cent changed the face of affairs, and the current set strongly in the opposite direction.

ISSUE OF TREASURY NOTES ON INTEREST.

But there was still another way in which the Secretary might have greatly reduced the premium on gold.

He was authorized to issue $400,000,000 of Treasury notes at not exceeding six per cent, as before stated, and it was expected that he would

make them at six per cent compound interest, and of suitable size for circulation as had been proposed in Congress. But he did no such thing. He first issued $50,000,000 at five per cent on two years, $50 notes and upwards. These, all or mostly, went into the banks in Philadelphia, New York, and Boston, where they displaced and drove out into circulation $50,000,000 of currency. This, instead of benefitting the Government, absolutely made matters worse, and carried the gold premium still higher. The Secretary then made the experiment of issuing $150,000,000 of five per cents, for two years, with coupons attached, but under the strange restriction, that the coupons should not be cut off, except by an officer of Government! These, too, to a great extent, went into the banks, and operated to expand the currency and carry up the premium on gold. So that notwithstanding the success of the war, it went up to 98 on the 15th of June last.

THE GOLD BILL.

And now came the crowning folly of financial legislation.

Congress, as it is understood, at the instance of the Secretary of the Treasury passed an act "prohibiting the sale of gold in certain cases." The measure was utterly absurd, and produced an effect precisely opposite to that intended. The price of gold advanced more rapidly than ever before, and went up to the extreme rate of 285. All confidence in the actual market value was destroyed, and speculation became more rife than ever.

Alarmed at the results of its own folly, Congress repealed the obnoxious act, and gold again receded. The victories of GRANT, SHERMAN, and SHERIDAN, which soon followed, carried the price down to about 200, from which point it has risen to its present rate.

Such is a brief outline of the financial operations of the national Treasury. The results are now before us, and the question presents itself, whether a different course from that pursued might not have been adopted with great advantage to the country, and whether even now such a course should not be attempted.

WHAT MIGHT HAVE BEEN DONE.

Suppose that instead of the plan pursued by Secretary CHASE, he had issued his 10-40 bonds promptly at six per cent. They would certainly have met with a ready sale, and he would have been able still further to reduce the circulating medium, and, consequently, the premium on gold, and besides would have furnished himself abundantly with funds. But it may be said that the Secretary could not have carried out this reduction of the currency with entire success, because, as he withdrew the greenbacks, the banks would push out their notes. True, and hence the necessity of such legislation by Congress as should have effectually prevented this. But the experiment showed that the reduction of the currency lowered the gold premium, and that if it could have been fully carried out gold might have been brought to par.

COMPOUND INTEREST NOTES SHOULD HAVE BEEN ISSUED.

Suppose again, that as soon as Congress adjourned the 4th of March,

1863, the Secretary had set about the work of preparing his six per cent compound interest notes, and issued them as he might have done, in a few months. They would have been readily received, and as readily hoarded. Instead of this he never issued a dollar of this kind of notes until June, 1864, fifteen months after he was authorized, and just before he left office, when he only put out a few millions.

The manner in which they were received, and their immediate disappearance from circulation satisfied everybody of the desirableness of this kind of Government notes, and Mr. FESSENDEN, the new Secretary, has since issued them, we believe, exclusively, (so far and so fast as he was able,) and at present there are some $150,000,000 or more in the hands of the people. They have been paid off to soldiers and other creditors of the Government, and, as was confidently predicted, immediately hoarded by those who have the ability and disposition to lay them by, as a safe and most convenient investment. They thus become a three years loan to the Government.

If these three measures had been adopted, (and they were perfectly feasible,) is it not quite clear that such a depressed condition of our national finances as we now witness, would never have existed? That gold would have been brought down nearly to par? If so, then is it not equally clear that what we now suffer from the depreciation of our currency, and the low value of our national stocks, is owing to mistakes and blunders?

The value of our stocks is low, not so much because the ability of the nation to discharge all its indebtedness, or the disposition of the people to sustain the Government, is doubted, but that owing to our mistaken management, a redundant currency has been allowed to accumulate in the country, until the standard of value is so reduced that our stocks actually bring only 40 or 50 cents on the dollar.

WHAT IS THE REMEDY?

First. The currency must be reduced until prices are restored to something like their natural rate, and gold goes down to par.

It is in vain to hope for any reform or essential improvement until this is done.

If it be said that this cannot be accomplished, then the finances cannot be saved. But it is not true that this cannot be done. Intelligence and determination on the part of Congress, and efficiency and perseverance on the part of the Secretary of the Treasury, are all that is required even now, low as the public stocks have fallen, to retrieve the national credit and restore the finances.

THE BANK CURRENCY MUST BE WITHDRAWN.

That the undertaking is an arduous one we shall not deny. There are now some 1,500 banks competing with the Government in issuing currency. This competition neither the Government or the people can stand much longer. The nation must have the advantage of its entire credit to carry on the war. Of all forms of credit, that in the shape of currency is the most available, and used only to a reasonable extent, the most profitable.

The bank currency of the nation, at the present time, reckoning the circulation at $250,000,000, and the deposits at $450,000,000, is $700,000,000. The country does not need a dollar of that circulation. There are $457,000,000 of greenbacks, besides fractional currency, and these are all that the country needs, all it *can possibly bear*, and preserve the standard of value. Every dollar, therefore, put in circulation by the banks, inflicts injury upon the nation, and goes to break down our finances and weaken the Government. The bank circulation, at the present time, is a public nuisance that must be abated.

Such being the case, it becomes the imperative duty of Congress to impose a severe tax upon the circulation of the banks. Probably a three per cent tax for the first six months, and five per cent for the next, with prohibition after twelve months, would be found entirely effective. This would cause a gradual withdrawal of all bank circulation, and the Government currency would form the only circulating medium. This would be ample, and upon it the people would gain the entire interest. This currency the Government might enlarge or diminish from time to time, according to the wants of trade.

If this be so, why should not the reform be at once commenced, and continued until the desired object be attained?

What objection can there be to such a course of proceeding?

WILL THIS DESTROY THE BANKS?

Will it be said that such taxation must destroy the banks? Not at all. Not a dollar of their capital will be touched; they will still possess every right and privilege attached to banking, except the assumed right of manufacturing currency, a right that belongs exclusively to the Government of the country. Will it be said that it will prevent them from making fair dividends? That cannot be true, for the capital of all the banks, of whatever kind, is invested in Government stocks, and upon them the banks draw six per cent annually in coin; they also have their deposits on which to make loans, and thus increase their profits, besides all they can make upon exchanges, no small source of income. The banks can do as well as any other interest; as well as the farmers, mechanics, or merchants, without swelling their profits by issuing their promises in the form of currency, and thus injuring all classes of the community, and weakening the Government in the hour of its distress and peril.

Do banks exist for the benefit of the country, or the country for the benefit of the banks? That is the primary question to be settled. But there is, in truth, no real collision of interest if the matter be looked at in its true light. That which is beneficial to the banks in the long run, is equally so to the country; that which is detrimental to the one, is equally detrimental to the other.

THIS COURSE FOR THE INTERESTS OF THE BANKS.

Of all classes banking institutions are the most interested in having their own notes entirely withdrawn from circulation, because they, above all others, have the most at stake in the success of the national finances. If the Government securities are repudiated, the banks are utterly ruined. That they must know very well. Other interests and institutions may

suffer much by a failure on the part of the Government, but the banks will be annihilated. How anxious ought they to be, then, that a policy should be adopted which shall expel all bank circulation, and thus afford great additional strength to the Government, by reducing its expenditures and curtailing the national debt, which at the best will be of formidable dimensions.

BANK STOCKHOLDERS.

No far seeing stockholder can desire that the present inflation of the currency should continue, much less that it should be carried farther; for he must see that if this is done, final bankruptcy and repudiation are inevitable.

There is still another reason why a bank stockholder, who understands the nature of currency and his own interests, cannot wish for an excessive currency, and that is, that he *gains nothing, but absolutely loses by it.* He increases his dividends to be sure, but at the same time raises the price of every thing he has occasion to purchase. That this is very bad economy may be seen by the following illustration:

A has an income from various sources of.....	$5,000
From bank stock.....	1,000
Whole income.....	$6,000

In consequence of an increase of circulation by the banks he gets an increase of $500 in his dividends, making his income $6,500. But prices of all commodities have advanced 25 per cent in consequence. What he could have bought for $6,000 he must now pay $7,500 for. So he has lost $1,000 by the operation! There is nothing imaginary or fictitious in this statement of the case. It is a plain matter of fact that any person can appreciate who will give a little consideration to the subject. It is very strikingly illustrated at the present time, when incomes for the purchase of commodities have scarcely half their former value; and it is ever true, that those who receive dividends from bank stock *always suffer when those dividends are increased by inflating the currency.* It is a law from which none can escape, and the holders of bank stock, for their own interest, should be utterly opposed to such inflation.

☞ Therefore, the proposition we now insist upon, that all bank notes shall be withdrawn from circulation, is one that, so far from being injurious, will be *absolutely beneficial* to those who hold bank stocks.

It may perhaps be said, that after all no legislation is needed on this point, because the banks already have the power to call in their issues if they see fit. True they have the power, but will they universally have the disposition to do so? A few of the more enlightened bank managers are quite ready for the movement, but can they secure concerted and unanimous action? That is not to be expected, and hence the action of Congress is indispensable.

NATIONAL BANKS INCLUDED.

But it may be inquired, perhaps with some surprise, whether we intend to say that the currency of the National Banks shall share the fate of that

of the State Banks, and be expelled from circulation? We answer, Yes we mean just that. But it may be asked, was not the National Bank system a special pet of the late Secretary, and did he not insist upon it as essential to his financial system? Certainly. But on what ground are the National Banks to be favored at the expense of the Government and the peril of the national finances? They, like State banks, exist for the benefit of the public, and are to be maintained and cherished only so long as they answer that end. The last section of the act by which they were established, says, "Congress may at any time amend, alter, or repeal this act." The banks accepted their charters under this condition, and without it the bill never could have become a law, for a large majority of both houses had little confidence in the measure, and voted for it mainly because it was so strongly urged by the Secretary. A full majority of Congress never gave their sanction to it. In the Senate, the vote was 23 to 21, and 4 absent. In the house, 77 to 64, and 38 absent.

As a *measure of finance* the National Bank system was of slight importance. It was urged in behalf of it, that a large demand would be made for the bonds of the Government, but such was not the case. Existing banks, having their capital already in stocks, had no occasion to purchase in order to come into the new system, and when new banks were got up, it was generally by those who were already holders of Government bonds.

As financial agents there was no necessity for these banks, because the State banks could act as such efficiently, and as they held Government bonds so largely, could give all the security required, and would have been happy to do so. As a measure of finance, there was really no occasion for the creation of a new banking system.

NATIONAL BANKS, WHY PREFERABLE.

But as *a currency measure*, although it was no suitable time to inaugurate a new system, it may certainly be regarded as a decided improvement upon the old for several reasons.

1. Because all notes issued under it are permanently secured, so far as a Government guarantee can do it.
2. Because the notes will be universally current, and as far as possible, under a credit currency, will equalize exchanges.
3. Because it brings the currency under national legislation and control, where it ever ought to be.
4. Identifies the interests of our monied institutions with the credit of the national Government, and in so far adds to the stability of both.

For these reasons the system may be justly regarded with more favor than that which it is designed to supersede, and there need to be no interference with it, except with the issue of its promises, or credit, as currency. That, under any circumstances, no banks ought ever to do, and under present circumstances, when to do it is in the highest degree to injure the national finances and absolutely endanger the public safety, they ought to be prohibited from it entirely, and rely upon legitimate business for their profits. If such profits, together with the interest in coin which they receive upon their Government bonds, are not sufficient to enable

them to make satisfactory dividends, it is clearly not for the interest of the public that they should exist at all.

BUSINESS MEN, HOW AFFECTED.

But it may be urged as an objection to any curtailment of bank circulation, that business men will thereby be deprived of their accustomed an necessary accommodation in the way of loans.

There is no force in this objection when the circumstances of the case are carefully examined. The banks, we have already shown, have no capital to loan, having already parted with that to the Government. They have nothing but their own credit in the shape of currency. If their currency be withdrawn prices will be so reduced that business men will need only half what they now do, and money will be as plenty with them as ever. Speculators will suffer, but no other class. Their vocation will be ended, and legitimate capital will be employed for legitimate purposes.

We know it may be said, there will be a loss upon stocks on hand if prices are brought down. True, and so there will be whenever we return to a sound currency. The sooner we come to that the better. The longer it is postponed, the worse will it be for all.

THE FAVORABLE MOMENT.

There never was a time in the whole history of the nation when business men had so little necessary connection with the banks. They do not themselves give credit, and they have little occasion to ask credit of the banks. The circulation of the banks merely inflates prices and excites speculation. That fact is well known to all concerned with business and banking, and the gradual withdrawal of bank notes, as proposed, would not only not be injurious, but absolutely advantageous to all engaged in every department of trade and manufacture.

MORE COMPOUND INTEREST NOTES.

In the *second* place, Congress should authorize a further issue of compound interest notes, and the Treasury should pay them out so long as they continue, as at present, to be hoarded, but no longer. Whenever they appear in the currency, that is in circulation, no more should be issued Until that time arrives, there is no more politic or convenient mode of raising funds for the Government; and a measure so eminently successful, thus far, should be followed up till all its advantages and capabilities are realized.

ONLY ONE KIND OF BONDS.

Thirdly, Congress should authorize only one kind of bonds, and those six per cents, on such time as may seem most desirable, say not less than five or more than twenty years. This should be the uniform mode of raising money by loan. Every other description of loan should be discarded. Then all at home and abroad would understand the precise character of our Government stocks, and make their arrangements accordingly.

There should be no temporary loans; no different rates of interest founded on the expectation that the war will soon terminate—that six or

twelve months will be as long as the Government will need to borrow, and therefore it may temporize. Such idle expectations have already cost the nation millions of money and thousands of lives.

THE BRITISH FINANCES.

The British Government, in its great struggle with NAPOLEON, prosecuted the war as if it were to last forever; met its vast demands in the most prompt and resolute manner, imposing the heaviest taxation possible, and negotiating its loans on the best terms it could.

The *discount* or loss upon the sale of its bonds, from 1793 to 1815, was more than 40 per cent, yet the sacrifice was cheerfully submitted to, though in the aggregate it amounted to $1,350,000,000, a sum equal to more than one-half of our whole national debt at the present time! But by this bold and decisive action, the finances of the nation were maintained, and England secured her grandest triumph.

If we would have a like success, we must imitate her example. Our system of internal taxation must not only be kept up, but every effort made to increase it. The revenue must be carefully watched, and every opportunity to enlarge it must be promptly improved, whether by excise, custom house duties, or direct taxation.

PREMIUM ON GOLD NOT DEPENDANT ON MILITARY SUCCESS.

Again, we should not delude ourselves with the false idea that if we have great military successes the premium on gold will disappear. This is a popular delusion, which has already given rise to many temporary and wasteful expedients. The premium on gold will not be permanently affected by any military achievments whatever. If GRANT should capture the rebel capital, and SHERMAN march his troops to the Atlantic, or the Gulf of Mexico, the quantity of currency will not thereby be changed, and therefore the premium on gold will remain essentially unaltered. Even were peace to come within sixty days, the price of gold could not, until the currency was reduced, go down to par.

ATTEMPTS TO INFLUENCE IT.

And here we would say that no attempts to influence the price of gold should be made by combinations formed for that purpose, or by governmental action. Such has hitherto been the case on more than one occasion. The newspaper press has done its utmost to "bear" down the premium on gold. All such efforts are very far from indicating an enlightened patriotism, however well intended.

They produce no good result nor any permanent effect, but they do greatly interfere with the trade and industry of the country. For example, a great effort was made during the month of September last to bring down the price of gold. On the second of the month it stood at 154, on the 5th of October at 88. A tremendous panic was created mostly by politicians through the newspapers, and the public was made to believe that gold was going down to par, or nearly so. Business men were greatly alarmed, and many sold off their stocks at an enormous sacrifice, because they believed that gold certainly would decline until it reached par value, and of course every species of merchandise would follow gold. So they

sold out at whatever they could get. But all this was a perfectly senseless panic, without the slightest foundation; and therefore, despite of all these efforts, gold went up back to its former average price, and has fluctuated mostly between 210 and 240—which is probably about its actual value as compared with the present currency of the country, by which it is measured. Great injury was inflicted upon innocent parties.

NOBODY BENEFITED.

It may be said we are aware that what the manufacturers, importers, and dealers thus lost, the people, the consumers, gained. That, in the long run, is not true; for such a panic destroys confidence and interrupts business. Men feel that they are not safe in making operations, and hence the industry of the country is paralized, and production is lessened. The country, as a whole, is not benefited by any such movement as that refered to. Gold should be allowed to rise or fall by the laws of value, and not by any extraneous efforts made for that purpose.

WHAT BUSINESS MEN SHOULD DO.

If the matter were well understood by business men, they would pay no attention to the hue and cry raised about the premium on gold, but go straight forward in their operations with entire confidence, that until the quantity of currency is reduced by the action of Government no essential change can take place. Gold may advance from where it now is, and probably will, but it cannot permanently recede, except in the contingency mentioned, that is, by the action of Government.

As a matter of fact, there has been no safer time to do business, for many months, than the present. If Congress should take measures to restore the currency, it will be a gradual movement of which all will be apprized, and can govern themselves accordingly. The true standard might, in that way, be restored, with as little loss and injustice as the nature of the case will admit.

A CHEERFUL VIEW OF THE MATTER.

If the foregoing considerations in regard to the past history and present condition of the finances and currency of the country are correct, then it will follow that the depression and derangement we suffer, are not the result of any want of ability or disposition on the part of the people to sustain the Government in its great struggle, but only to the mistakes of those to whom the management of its affairs have been entrusted.

This is a most cheering view of the case, because if our difficulties are owing to errors in legislation and financial mismanagement, then, if those errors are rectified, the finances may be restored.

We have endeavored to show that this may be done, that Congress may re-establish a sound standard of value, negotiate the public securities upon that basis, and thus greatly reduce public expenditures, and prevent an unwarrantable increase of the national debt.

THE NATIONAL DEBT.

But it may be said that we shall after all be left, when the war is closed, with a great debt. True, and it will be a national incumbrance which

every sensible man must deplore. It is no blessing, as some would fain make the people believe, but will be to the nation what a heavy mortgage is upon an individual estate. The only question is, will that burden be so great as to bear with oppressive weight upon the people? So large as to retard their industry, interfere with the natural increase of population, put a stop to immigration, and consume the capital of the nation? Not at all. Nothing like it. Wisely managed, it can be easily borne, aye more, it can be paid off in thirty years without difficulty. There is not the slightest occasion to fear repudiation from inability to discharge the debt.

Our debt will be less per capita than that of England, while our ability to sustain taxation is practically twice as great as hers. No people ever had so large a margain, over and above their necessary expenditures, out of which to pay taxes, as the people of the United States. But our present population are not alone to pay the debt. That will be done by a greatly augmented population. Nor is the debt always to bear six per cent interest. As fast as it becomes payable, as most of it will, at the pleasure of the Government, in five or ten years, the new loans will be had at not exceeding four-and-a-half per cent. Let the credit of the Government be established as firmly as prior to the war, and its bonds at four-and-a-half per cent would command a premium. This we shall readily believe, if we consider that they are exempt from taxation, which is equal to one per cent annually at least. That would reduce them to five per cent.

Our stocks of every description will eventually be *consolidated* into one having a uniform rate of interest, and then American "consols" will be in general request at home and abroad for permanent investment. A large part of our debt will eventually be held in Europe, where capital yields a much less rate of interest than in this country.

PROSPECTIVE INCREASE OF POPULATION AND WEALTH.

If the population of the country increases in the future as in the past, (and it assuredly will,) in 20 years we shall be 60,000,000. If our wealth increases in the future as heretofore, it will in the same period amount to more than 50 billions, ($50,000,000,000,) or more than three times its present amount. Should our public debt reach the improbable and extravagant amount of four billions, ($4,000,000,000,) it would not be half as great a burden on the people, as the debt of England was upon her population at the close of the wars growing out of the French Revolution

NO REPUDIATION.

There is then, no occasion for repudiation, or danger of it, if we reform our financial system and effectually put down the rebellion. The first the Government ought to do, and if disposed, can do; the latter the people are determined shall be done.

They have resolved that the nationality shall be restored in all its integrity—that at whatever cost of blood and treasure,

> "These States shall be,
> One nation, sovereign, independent, free."

The people comprehend the great issue and are prepared to meet it. We have able generals who know how to fight battles and follow up

victories; men who have no fears whatever of hurting the rebels, or destroying their property, when necessary.

We have brave and veteran troops, who instead of being employed in guarding rebel orchards and hen roosts, are marching in serried ranks to those great victories and achievements which are to decide the fate of their country.

By the will and fiat of a mighty people the war cannot end, or even relax, until all who once formed the American nation shall be reunited under one government, in one great and glorious destiny.

THE TAEPING REBELLION—ITS RISE AND FALL.

T. M. J.

The Taeping rebellion in China, which was expected to open a wide door to increased commercial enterprise, and which, in its early stages, was hopefully regarded by the whole Christian world, has suddenly come to an inglorious end. The bud that promised so well has produced nothing but bitter fruit. The mercantile community has been doomed to disappointment; and the pretended Christianity of the leader of the insurrection has resolved itself into the mad ambition of a rebel chieftain, or, at best, into the wild fanaticism of a crack-brained and self-deceived enthusiast.

Before the present race of monarchs came into power in the East, the old, time-honored and respected Ming dynasty filled the throne of the Celestial Empire. This illustrious line of worthy potentates ruled, according to the Eastern chronicle, full four hundred years, with undisputed authority and power. At the end of that time, however, which was about two hundred years ago, their government was overthrown by the Manchu Tartars, who drove the Chinese monarch from the throne of his fathers, and have from that day to this held the country and ruled it with despotic sway. In many of the high civil positions they placed Tartar officials, and of the 800,000 men who compose the Imperial army, at least one-fourth belong to the victorious race, who, besides being paid, armed, and disciplined in a manner superior to the native Chinamen, occupy a separate quarter in every garrison, and always the one which commands the town. It must not be supposed, however, that the Chinese acquiesed quietly and tamely in a foreign rule, and, bowing their heads, submitted with patient humility to the yoke which the Tartars placed upon them. It was by hard fighting that the conquest was achieved, and much Chinese blood had watered the plain, before the Manchu foreigners ruled peacefully over Cathay. In no part of the Empire was the innovation more obstinately contested, and nowhere did the people struggle more fiercely for the preservation of their ancient government, than in the two provinces of Kwang-tung and Kwang-si. The Kwang district is the most southern portion of China. It contains about twenty-seven or twenty-eight millions of people, and as it has been the last to submit, so has it always been the first to revolt against the rule of the newly established dynasty. It

is a barren, mountainous district, with naked peaks, utterly devoid of vegetation, but presenting scenery grand in the extreme. The Kwang-si Mountains are among the curiosities of the Celestial Empire, and strange stories are told, by native travelers, of the wonderful things they present. Antedeluvian animals are found encrusted with rock, and petrified in the most curious shapes. Whole masses take the forms of animals and represent a cock or an elephant beyond the possibility of mistake. But these are the stories of natives concerning regions for ages unpolluted by the footstep of the foreigner, and require some further investigation before we can consider their existence as established. Nevertheless, the general aspect of Kwang-si is charming and picturesque. But the soil, being suited only to certain kinds of cultivation, is barely able to sustain its crowded population. It is inhabited by a bold and hardy race, inured to fatigue and animated by a heroic spirit of independence, and rivers of blood were shed, before Kwang-si submitted to be ruled by the Manchus. Some of them in fact never submitted at all. Beaten on the plain they would betake themselves to the mountains, and after years of Tartar rule, we find them in their native fastnesses, as banditti or pirates, wandering about this Eastern Switzerland, still unreduced, and acknowledging the authority of no government whatever. In these men, who considered themselves subjects of no sovereign, and who feared the violation of no law, provided they could escape its penalty, did the armed smugglers of the different commercial nations find useful and willing allies. Long before the English settled themselves at Hong-Kong were these turbulent spirits roving about the country, bent only on mischief, and ready for any wickedness that might happen to turn up. It needed but the example of a few English smugglers, in their armed opium clippers, overpowering the clumsy war junks of the government, which guarded the China seas, to stimulate them to like proceedings. When no other work presented itself, they would attack neighboring Chinese towns, and as it made little difference to them, whom they fought, provided the operation was a paying one, they sometimes cut off their own traders and little coasters, and were even ready, for a consideration, to turn round and assist the Imperial Government in its efforts to destroy "the barbarians." This utter defiance of all law and authority did not confine itself to the seaboard. Far away in the interior, armed bands fought their way down to the coast with smuggled goods. It was stated by one of the French Roman Catholic missionaries, with how much truth we cannot say, that at one time some six hundred of these ruffians forced their way from Yunnan to Canton, aided by some of the most influential people of Kwang-si. The gentlemen, who afforded this timely assistance, were, naturally enough, called to account for their action in the matter. They resisted the authorities. The mob came to their rescue. A secret society in the province gave a helping hand. Sedition spread like wild-fire. All the disaffected, disbanded soldiers and slighted braves, ruined opium-smokers and ruffians of every description joined in the movement, which, in the year 1850, broke out into a rebellion, and, under the name of Taepingism, it has for the last fourteen years spread death and devastation over some of the fairest portions of the Celestial Empire.

Whether he is right or wrong in affirming that the rebellion arose in such a way, it would be impossible to say; but certainly the incendiary

disposition of the people of these provinces might have served to supply fuel, when once the flame of anarchy had actually burst forth.

But beyond the lawless character of the people of Kwang-si, and the seeds of anarchy, which were scattered over the province, there were forces at work in the government itself, which served to invite rather than to repress such a movement. Never was a country cursed with a worse race of rulers, than that which at present directs the destinies of China. Each succeeding Emperor appears to have surpassed his predecessor in every low vice, without possessing any redeeming virtue. A memorial from a high English officer, during the year 1832, draws a touching picture of the results of the Emperor KIAKING's misrule, in alluding to the consequent disturbances in some of the provinces. TAOUKWANG, his successor, only added to the disorganization of the country, while the administration of his grandson HIENFUNG, who succeeded his father TAOUKWANG, in 1851, was marked by increased peculation and general corruption. Thus disorder and rebellion spread as the natural results. We should remember, in this connection, that all the honors and privileges of the Pekin government are, by law or custom, which in China is equivalent to law, attainable by any one who can successfully pass through a certain examination. This popular right is, of course, jealously regarded by the nation, and any tampering with the freedom of this great arena of national ambition is indignantly resented. The necessities of the court, however, during the reign of the last three inefficient and corrupt monarchs, had led it to dispose of certain appointments by purchase, and consequently every disappointed candidate, tracing his failure to this abuse, became a disorganizing agent, laboring zealously to increase the general discontent.

A poor and venerable man, upright in all his dealings, who, like his neighbors, earned his own living by cultivating rice and rearing pigs and poultry, dwelt in a little village about thirty miles from Canton. He seems to have obtained the respect of his fellow townsmen, for he held the position of headman or elder of the village, and was accustomed to settle the disputes of the people, and to take care of their ancestral fields. In the year 1813, the third son was born to this old man, and his name was HUNG-SIU-TSUEN. He appears to have been a remarkable child from his very cradle, and wonderful stories are told of the progress which he made at school. But as he signally failed every time he was examined for the bachelor's degree, we cannot help thinking that it was with him as with many great men. When they have made a name for themselves, in after life, it is suddenly discovered that they evinced the most remarkable precociousness when young. The poverty of HUNG-SIU-TSUEN's family is given as a reason why he did not attain literary pre-eminence. His parents, after giving him every advantage, which their slender means would allow, were reluctantly compelled to take him from school, that he might aid them in providing the means of livelihood. Accordingly, at the early age of sixteen, when his studious propensities would have led him to devote himself eagerly to his books, he was obliged to give up his time to manual labor, or in attending to the oxen and the pigs. As soon as he could he abandoned this employment, and obtained a situation as teacher in the village school, the meagre emolument he got for his services being sufficient to keep him from actual want.

HUNG was his family name. He chose SIU-TSUEN as his literary name. This means "Elegant and Perfect," and by adopting it, he displayed the characteristic modesty of a true Chinaman.

In the year 1833, a public examination was to be held at Canton, and SIU-TSUEN went to that city to attend it. Here he accidentally fell in with two men, one of whom gave him a package containing nine small volumes, entitled "Good Words Exhorting the Age." The person who gave it to him was a native Christian convert and colporteur; and the books themselves were tracts, intended to spread the knowledge of religious truth, but written in such a diffuse and careless manner, as to be unacceptable to a well educated Chinese, and almost unintelligable to the masses. It was through this illiterate channel, that SIU-TSUEN received his first impression of the Christian faith. In 1837 he again visited Canton, and presented himself for examination. Utterly failing, he returned home very much disheartened and oppressed. He was now attacked by a severe fit of illness, which for some time confined him to his bed, and his mind became filled with strange fancies and subject to visions.

"In one of his visions," says Commander LINDESAY BRINE, of the English Navy, who has given us an excellent account of the rebellion, "he imagined himself to be carried away in a sedan-chair by a number of men playing musical instruments, and, after visiting bright and luminous places, and having all his impurities washed away, he entered, in company with a number of virtuous, aged, and venerable men, into a large hall, the beauty and splendor of which were beyond description. A man, venerable from his years, and dressed in a black robe, was sitting in an imposing attitude, in the highest place. As soon as he observed SIU-TSUEN he began to shed tears, and said: 'All human beings in the world are produced and sustained by me; they eat my food and wear my clothing, but not a single one among them has a heart to remember and venerate me; what is, however, still worse, they take my gifts, and therewith worship demons; they rebel against me and arouse my anger. Do thou not imitate them!' Thereupon he gave SIU-TSUEN a sword, commanding him to exterminate the demons, but to spare his brothers and sisters; a seal, by which he would overcome evil spirits; and a yellow fruit, which SIU-TSUEN found sweet to the taste. He then gives him charge to do the work of bringing round the perverse; and taking him out told him to look and behold the perverseness of the people upon earth.

"SIU-TSUEN looked and saw such a degree of depravity and vice that his eyes could not endure the sight nor his mouth express their deeds. He then awoke from his trance, but being still partially under its influence, he put on his clothes, left his bedroom, went into the presence of his father, and making a low bow, said: 'The venerable old man above has commanded that all men shall turn to me, and all treasures shall flow to me.'

"When his father saw him come out, and heard him speak in this manner, he did not know what to think, feeling at once joy and fear. The sickness and visions of SIU-TSUEN continued about forty days, and in these visions he often saw a man of middle age, whom he called his Elder Brother, who instructed him how to act, accompanied him in his wanderings to the uttermost regions in search of evil spirits, and assisted him in slaying and exterminating them. SIU-TSUEN during his sickness, when his mind was wandering, often used to run about his room leaping and fighting like a soldier engaged in battle. His constant cry was, 'Tsan-jan, tsan-jan, tsan-ah, tsan-ah!' Slay the demons! etc., etc."

He also took a notion into his head that he had been duly appointed Emperor of China, and was pleased when any one gave him that title. His curious antics and the wild fancies, with which his brain was filled, soon obtained for him the appelation of the madman, by which name he was known throughout the district.

He recovered from his illness, but his distempered imaginations still

clung to him. He considered that he had a peculiar mission, and that to carry out the mandates of the old man he had seen in his vision, was his one, all-important duty. He again perused the bundle of tracts, and became very much impressed with their character. He saw that they supplied the key, which unlocked the mystery of his dream. They explained to him that the old man he had seen was God, the Father of all, and that the man of middle age, whom he called his celestial elder brother was Jesus, the Saviour of the world. He was, of course, transported with joy at making this discovery, and he and his friend LI, also a schoolmaster, and one who had become persuaded that SIU-TSUEN had a divine mission, administered baptism to themselves, which rite the tracts declared to be absolutely essential. His next step was to discard his idols. He took down the tablet of Confucius from the school-room, and endeavored to make converts to the new faith, but not meeting with very great success, and losing his place in the school on account of his heterodoxy, he moved to the province of Kwang-si. Here he remained for some time teaching his doctrines and obtaining some disciples. In a short time the converts to the new faith began to meet together for religious purposes, and became known as the "Society of God-Worshippers." After remaining in Kwang-si a few months, SIU-TSUEN returned home, leaving one of his converts FUNG-YUN-SAN behind to proclaim the new doctrine. At this time his opposition to the Tartar dynasty is said to have *commenced*. He went to Canton, where he remained some time studying Christianity under the Rev. Mr. ROBERTS, a Baptist missionary, who happened to be residing in that city. When he returned, he found the Society of God-Worshippers in a prosperous state, and he was immediately received as their leader.

Thus far we have followed the story of the leader of the Taepings, as it seemed at the time, unaccompanied by the light of the subsequent facts. Had everything been as it appeared on the surface, and as the leaders of the movement proclaimed it to be, there would have been great reason to rejoice. For although SIU-TSUEN'S ideas of Christianity were crude and indefinite in the extreme, and in endeavoring to extend his doctrines by the sword, and in setting himself up as an object worthy of divine adoration, as he afterward did, he displayed a character more like that of Mahomet, than of a meek and humble seeker after truth, yet even this would have been so far in advance of the miserable idolatry of Buddhism, that we might, with good reason, have felt glad. But even these meagre results were not attained. Religion was merely used as a cloak to cover his traitorous schemes, or, if his apparent zeal for Christianity ever contained a spark of genuine honesty, it quickly gave way when brought in contact with his inordinate ambition.

The influence of the Society of God-Worshippers must have extended itself, by this time, to a considerable distance, for we find the members of the Christian Union acting in connection with SIU-TSUEN. The Christian Union was the name of a school which had been established at Hong Kong by the Protestant missionaries. Its object was to instruct the natives in gospel truth, and to prepare them to act as teachers among their own countrymen. This excellent institution was under the charge of a Mr. GUTZLAFF, who seems to have been entirely in error as to the character of the men he received. They were mostly worthless vagabonds, pretending to be Christians for the sake of a living, and there was no trick

so low, or imposture so cunning, which they did not commit. An instance of this we will mention in passing. It seems to have been a part of the work of the Union to send these converts into the various provinces of the Empire, for the purpose of distributing Bibles, and of acting the part of native catechists and colporteurs. These Bibles were supplied by a Chinese publisher at Hong-Kong. Somehow or other a suspicion was excited, that these same Bibles were brought back to the missionaries by the publisher, and were passed off by him as new ones. In order to see whether there was any truth in this suspicion, a number of them were secretly marked before they were sent off, and in a short time they all came back to the office as new Bibles fresh from the press. Of course this was immediately stopped; but it is only a specimen of the numberless duplicities practised, by these arrant knaves, upon the innocent-minded missionaries.

How the God-Worshippers first came into collision with the Imperialists, what was the particular spark which fell into this combustible mass and caused the first explosion, is not stated; or rather, it is stated in various ways by various journalists. Having, as they supposed, permanently established their own religious worship, they commenced interfering with that of their neighbors, by destroying their idols, etc. FUNG-YUN-SAN, was seized and placed in confinement, but was subsequently released. A young convert and iconoclast is said to have been thrown into prison at the instigation of a certain enemy of the God-worshippers, and to have died on account of the ill-treatment he received, and that this caused the first serious collision. Then it is stated that the magistrates attempted to seize HUNG-SIU-TSUEN and FUNG-YUN-SAN, and that they summoned the God-Worshippers to the rescue, and thus the rebellion commenced.

They first attacked and captured the towns of Ho and Kiang Men, where they obtained money and supplies, and from thence they proceeded to Tai-tsun, a large village, where they found provisions in great abundance. SIU, the head of this vice-royalty, a weak and cowardly man, was thrown into a great state of uneasiness by the violent acts of the insurgents. When he learned that they were approaching, he requested permission to visit the late Emperor's tomb, and to humble himself before it, in order that he might escape the approaching evil; but as this was not considered a proper time to perform a pilgrimage, his request was refused. He sent a body of Imperial troops against the rebels, but they being deceived by the tactics of the enemy, were defeated and slaughtered without mercy. The rebels would feign a retreat, and draw the Imperial troops into an ambuscade, and then, turning upon them, cut them to pieces. "At first," writes one of the Imperial officials, concerning HUNG-SIU-TSUEN "he conceals his strength, then he puts it forth a little, then in a greater degree, and lastly comes out in great force. He constantly has two victories for one defeat; for he practices the tactics of SUN-PIN."

Emboldened by various successes, the insurgents ventured to leave Kwang-si, and to penetrate into the neighboring province of Kwang-Tung and here they issued a proclamation, which was their first political act. It is a curious document, and displays rather crude notions of the art of government:

"The Manchus," says the proclamation, "who, for two centuries, have been the hereditary occupants of the throne of China, were originally members of a small foreign

tribe. With the aid of a powerful army they took possession of our treasure, our lands, and the government of our country; proving that superior strength is all that is required for the usurpation of an empire. There is, therefore, no difference between us, who levy contributions on the villages we have taken, and the officials sent from Pekin to collect the taxes. Taking and keeping are both fair alike. Why then, without any motive, are troops marched against us? This appears to us very unjust. How have the Manchus, who are foreigners, a right to collect the revenues of eighteen provinces, and to appoint the officers, who oppress the people; while we, who are Chinese, are forbidden to take a little money from the public stock? Universal sovereignty does not belong to any individual to the exclusion of all the rest, and no one ever saw a dynasty, which could count a hundred generations of emperors. Possession —and possession only—gives a right to govern."

The first really great advantage obtained by the rebels, was the capture of the city of Yung-gnan, in the eastern part of Kwang-si. The capture of this important place was effected in a manner decidedly Chinese. The walls of the city were not very high, and the attacking party were enabled to create confusion in the garrison within, by advancing quickly, and throwing lighted fire-crackers into the town. The constant explosions of these fearful missles, at last caused the enemy to retreat, and the rebels succeeded in scaling the walls and entering the city.

Rather a ludicrous mode of conducting a siege, according to our ideas, and reminding us strongly of 4th of July sham-fights, but strictly in keeping with the rules of Chinese warfare. The rebels seized all the treasures of the city, put all the Imperial officers to death, who were unfortunate enough to fall into their hands, and HUNG-SIU-TSUEN, under the name of the TIEN-WANG, or Heavenly King, which he had previously assumed, entered the place in triumph, and was proclaimed Emperor of the new dynasty of Taeping, or Great Peace. Here the TIEN-WANG established his government. He appointed four chief officers to be inferior only to himself, giving to each the title of king. His old tried friend and comrade FUNG-YUN-SAN was the Southern king; a man named YANG, who held the position of a prophet, was the Eastern king; SIAU, a man who was in the habit of falling into trances, and who conceived himself to speak in the name, and under the direct inspiration of Jesus, the Celestial elder brother, was the Western king; and WIE-CHING, another adherent, was the Northern king. And besides these, the KANG-WANG, or Shield King, formed one of his principal officers. This man was, beyond doubt, one of the ablest of the Taeping leaders. He had formerly, under the name of HUNG-JIN, been connected with the Christian Union, and was much esteemed as an earnest catechist and preacher. His part in the drama seems to have been to worm himself into the confidence of the missionaries, and by deceiving them with regard to the quasi christianity, which the Taepings professed, to secure their influence in preventing "the active operation of the foreign powers against their material progress." The service, which in this way, he rendered the rebel cause, appears to have been fully appreciated by the TIEN-WANG, and rewarded by an important office under his government. The missionaries were much pleased with the amiable disposition, and Christian sweetness, which HUNG-JIN had assumed, and it was a long time before the wolf was discovered through his double coving of sheep's clothing. Even after he had left the Union, and become chief officer of the self-styled King of Heaven, he was still used by the missionaries as a channel of communication with the Taepings. Having

displayed great skill in humbuging the foreigners, while connected with the Union, he still continued to throw out to them the hope of extention of religion and the promotion of commercial interests, neither of which, he *very well knew*, would ever be realized. In Nov., 1851, the TIEN-WANG issued his second proclamation, in which he stated the doctrine of his religion, and gave certain orders to his army:

"Our Heavenly Father, the great God and supreme Lord, is one true Spirit (God); besides our Heavenly Father the great God and supreme Lord there is no Spirit (God). The great God our Heavenly Father and supreme Lord is omniscent, omnipotent, nd omnipresent—the supreme over all. There is not an individual who is not produced and nourished by him. He is Shang (supreme). He is the Te (ruler). Besides the great God our Heavenly Father and supreme Lord there is no one who can be called Shang, and no one who can be called Te.

"Therefore, from henceforth, all you soldiers and officers may designate us as your lord, and that is all; you must not call me Supreme, lest you should enroach upon the designation of our Heavenly Father. Our Heavenly Father is our Holy Father, and our Celestial Elder Brother is our Holy Lord, the Savior of the world. Hence, our Heavenly Father and Celestial Elder Brother alone are holy; and from henceforth all you soldiers and officers may designate us as your lord, and that is all; but you must not call me holy, lest you enroach upon the designation of our Heavenly Father and Celestial Elder Brother. The great God our Heavenly Father and Supreme Lord is our Spiritual Father, our Ghostly Father * * * * All the kings above referred to are to be under the superintendence of the Eastern King. We have also issued a proclamation designating our queen as the lady of all ladies (empress), and our concubines as royal ladies. Respect this."

This was comparatively modest, for he here acknowledges himself inferior to Deity, and claims no superhuman authority; but he afterwards ceased to be content with such an humble position, and demanded for himself divine adoration. Mr. ROBERTS thus speaks of him in Jan., 1862: "His religion is of no avail in the spread of Christianity—worse than useless. It only amounts to a machinery for the promotion and spread of his own political religion, making himself equal with Jesus Christ, who with God the Father, himself and his own son, constitute one Lord over all! Nor is any missionary, who will not believe in his divine appointment to this high equality, and promulgate his political religion accordingly, safe among these rebels in life, servants or property. He told me, soon after I arrived, that if I did not believe him I would perish like the Jews did, for not believing in the Saviour."

But to resume. The rebels now pressed on, taking one place after another, until on the 12th Jan., 1853, they had occupied Han-yang, Wu-chang and Hankow, three cities adjacentto each other, where they collected an immense amount of supplies, both money and provisions. The insurrectionists had met with almost uninterrupted success. Almost in every instance had the Imperial troops been defeated, and the rebels victorious; not so much on account of the skill or generalship displayed by the officers of the Tien-wang, or the valor of his men, as of the imbecility and cowardice of SIN, the viceroy of the two KWANGS, and the insubordination in the Imperial ranks. On one occasion twenty large war junks came down from the Touaug-Kouan district, bringing a reinforcement of about 2,000 recruits. They were as undisciplined a horde of vagabonds as ever pretended to call themselves soldiers, and refused peremptorily to embark, unless two months wages were paid in advance. The mandarins foolishly acceded to this demand, and they consented to go. With such troops it was not strange, that victory seldom crowned the efforts of the Imperial forces.

The insurgents next proceeded down the Yangtze river to Nankin, and took the city by assault March, 1853. Nankin was defended by a garrison of 7,000 or 8,000 Manchus, and although the TIEN-WANG had publicly declared, that their extermination was the first duty of his mission, and they knew that neither they nor their wives nor children could expect to receive any mercy, yet were they so overcome with fear and so fully pursuaded of the invincibility of their enemies, that they never struck a blow in their own defence, but fell down before the leaders of the insurrection with pitious cries of "Spare my life, Prince! Spare my life, Prince!" It does not appear, however, that this appeal touched the cruel heart of the stern TIEN-WANG. The whole city was put to the sword. Only about one hundred escaped out of a population of over twenty thousand. Men, women and children were put to death. "We killed them all," was the fiendish exhultation of the pityless insurgent. "We killed them all, to the infant in the arms. We left not a root to sprout from." Such was the unsparing brutality by which the Taeping rule was, in a degree, established and maintained in China.

We have not space to narrate, even in this brief and meagre way, all the operations of the Taepings. Firmly established in Nankin, which was, under the Mings, the capital of the country, they were able to establish their jurisdiction over an immense extent of territory, and to maintain their authority over a vast number of people. At one time they were said to be in possession of sixty thousand square miles, having a population of 70,000,000. Of course all these were not Taepings, neither in their sympathies nor in their actions; but as long as they lived under the tyranny of the Taeping government, they had to acquiese in the Taeping rule. It was thought that ninety-nine out of a hundred of the people, over whom the Taepings held sway, had no sympathy whatever with the movement, but that they dreaded the fate which awaited them should they fall into the hands of the Imperialists, or feared the vengeance of the TIEN WANG's officers, should they be apprehended when attempting to escape. The government of the insurgents was a most awful tyranny, as is always the case, when ignorant and fanatical men become suddenly possessed of power. They seemed to be actuated more by whim or fancy, than by any principle, which could be dignified by the name of a national policy. At one time we find them anxious to establish commercial intercourse with the different foreign nations, at another they cut off the head of any man who attempted to carry on a trade. At one time the foreign merchants made a sort of commercial raid among them, buying whatever they could, and bringing away their teas and silks in wheel-barrows and hand-carts, or whatever else they could get hold of. At another time we find Mr. ROBERTS writing of the TIEN WANG as follows:—"He is opposed to commerce, having had more than a dozen of his own people murdered since I have been here, for no other crime than trading in the city, and has promptly repelled every foreign effort to establish lawful commerce here among them, whether inside the city or out."

The entire absence of any kind of plan with reference to future operations, and an absolute inability or unwillingness to provide sufficient force to carry out any important movement, were among the striking characteristics of the Taeping rule. It was not until the movement had commenced and the civil war had actually burst forth with all its fury, spreading

ruin and desolation over a thickly settled and well cultivated country, that the leader began to study military matters at all. Indeed he was so ignorant of the art of war, even according to the clumsy fashion in which the Chinese carried it on, that he was forced to begin at the very rudiments, when he should have been leading his army to battle. One of his chiefs, when taken prisoner, confessed that after the commencement of the rebellion, he had instructed the TIEN-WANG in military tactics. After the capture of Nankin, an expedition was fitted out to march upon Pekin. It was one of the most important operations which the Taepings could possibly undertake. It was nothing less than a strike at the very centre of their enemy's power—his capitol. If it succeeded, it placed the insurgents at once in possession of the government, and although it might not have been the immediate and absolute overthrow of the Imperial dynasty, yet it would have greatly decreased the power and importance of their rule, and have surrounded the Taepings with all the prestige of success. If undertaken at all, it should have been undertaken with all the force which the TIEN WANG could possibly muster. Nothing should have been neglected, which would insure victory and ward off every possibility of defeat.

Yet how different was the fact? A small body of men, scarcely large enough to besiege a little unimportant town, was despatched upon this expedition. This contemptible force was to march all the way from Nankin to Pekin, overcome all the obstacles, defeat the Imperial troops, which ventured to oppose its progress, and besiege and capture the capital of the Chinese Empire. The thing was absurd, and it seems almost unnecessary to add that it resulted in complete disaster. It seemed as if the Taepings were merely playing with the cause they had espoused, and were indifferent about its success or failure. But it was only a specimen of the way they did things. The Heavenly Monarch appears to have made no preparation at all, either for the revolt itself, of which he became the head and front, or for the different operations, which the revolt forced him to undertake. Instead of deliberately maturing his plans, and preparing himself with all the means in his power, and omitting nothing to increase the chances even of success; he seems to have been dragged lazily along by the current of events, and to have had littleor no regard to the probabilities of the future; consequently, that future came upon him unawares; it caught him napping, and he had to pay the penalty. It was this feature, more than any other, which led to the final failure of his cause. The rebellion retained its power so long more on account of the imbecility of the Imperial government, than of any ability which the TIEN-WANG ever displayed.

To show the tyrannical nature of the Taeping rule, and the utter impossibility of any material prosperity ever resulting from its permanent success, it is only necessary to mention one fact. When Nankin fell into their hands, the inhabitants submitted at once to the TIEN-WANG's government. The rebels immediately seized all the crops, which belonged to the people, and served out rations to them; but these rations were so scanty and insignificant as barely to sustain life. This caused such great indignation on the part of the inhabitants, that they threathened to apply to the Imperialists. When their murmuring came to the notice of the insurgents, they took a bloody vengeance, and seventeen thousand victims,

fell, in one day, to satisfy the ideas of justice entertained by the cruel TIEN-WANG. So it was with all their acts. Wherever they went, devastation and ruin were the results. Smoking villages, devastated fields, death and destruction followed in the wake of these Apostles of Great Peace. Indeed it could not be otherwise. No pay was given to the soldiers, and they were not only allowed, but expected, and encouraged to make it up out of the wholesale plunder of the country through which they passed. It was their custom, wherever they met with the least opposition, to destroy the adults, both men and women, but to carry off the children, probably to train them up in their peculiar faith.

The arrogance of the insurgents, in their intercourse with foreigners, was extremely silly, and rendered it impossible to carry on with them anything resembling international correspondence. Shortly after Nankin fell into their hands, the Hermes, of the English Navy, visited the city, having Sir GEORGE BONHAM, the governor of Hong-Kong, on board. The Taepings seemed very willing that the English should visit them, but professed to care little whether they aided the Imperialists or not. As they expressed it: "Our Heavenly Father helps us, and no one can fight with him." They pretended to believe that the English had come to give in their allegiance to the Tien Wang, and no matter how high the rank of Sir GEORGE might be, the Northern King declared that it could not possibly be as high as his own. So it was when, a year later, the Susquehanna visited the city. Some of the Taeping officials came on board, and their assumption of power and dignity was ridiculous in the extreme. "You say you come from a great nation. That is not so. There is no nation but Taeping. You call yourselves officers. It is all a mistake—if you had commissions from the TIEN-WANG, then you would be." With such a people it would, of course, be impossible to establish any diplomatic intercourse.

Nankin continued to be the residence of the TIEN-WANG, and the seat of his government, as long as the Empire of Great Peace was able to exist. It fell into the hands of the Imperialists on the 19th of last July, and with the fall of Nankin fell the hope of the Taepings. The city was defended by three walls—one round the city proper, another round the Tartar portion, and a third, which defended the TIEN-WANG'S palace. The outer wall was breached by means of a mine, containing 60,000 pounds of powder. On the 18th inst., it was abandoned by the rebels, who made no defence at the Tartar city, but fell back to the third line. Here the Taepings are said to have fought very bravely, but they were too weak to resist successfully the stronger force, which their enemies brought against them. The next day the whole city was in the hands of the Imperialists, and the Taeping rebellion was subdued. Within the palace was found the dead body of the TIEN-WANG, lying upon the ground, and hanging from the garden trees were the bodies of a number of his wives. He knew that there was nothing to hope for from Imperial clemency; so when he saw his power gradually decrease, and the chance of offering any effectual resistance become smaller and smaller, and found himself unable to retain possession of the city, where he had established his government, he quitely hung his wives upon the trees of the garden, and swallowed gold leaf, the favorite mode in China of committing suicide. Part of the garrison escaped, and part were

made prisoners. Those that escape have to wander as fugitives about the country, and the prisoners have little to expect from the Emperor's mercy. The brother of the TIEN-WANG, and one of his chief officers, who were taken, were sent to Pekin for execution. It was thought by many Chinamen, that they would be brushed to death; that is executed by means of an iron brush passed over the body, tearing the flesh from the bones—a method of execution almost surpassing, in the refinement of its cruelty, the ingenious devices of the Spanish Inquisition. With regard to the body of the TIEN-WANG, the Emperor commanded that the flesh should be torn from the bones, and the head be sent through the country.

It was not, however, on account of any ability on the part of the Manchu generals, or any superior wisdom ever displayed by the Imperial government, which turned the scale against the Taepings, and finally effected the complete overthrow of the rebellion. It was the foreign element introduced in favor of the Tartar dynasty, to which the Pekin government is indebted for its own preservation; and that portion of the Empire over which the TIEN-WANG held sway, for deliverance from the blasting influences of his rule. Our own people, as well the English and French, gave, at the last, very effective aid to the Imperialists. Introducing among the Chinese the discipline and tactics of the Western nations, they quickly showed their superiority to the clumsy operations of the rebel soldiers. An American by the name of GOUGH rendered, in this way, most important service, and obtained the title of Admiral. A Mr. WARD also became a General over the Chinese forces. But the most effective aid was rendered by a Major GORDON, of the English army, who drilled a number of the Imperial troops, and was promoted for his eminent ability, to the rank of General in the Chinese service. He assisted the Imperial forces in taking very many important places, or perhaps it would be more correct to say, that the Imperial forces assisted him; for to the superior element, which he was personally instrumental in putting into practice, belongs the merit of the capture of the most important cities, and of the final suppression of the Taeping rebellion.

Nankin will hereafter be open to trade. It was a large and important city, but is now mostly a heap of ruins. The country about it is a desert, and years will elapse before it can recover from the pernicious influences of Great Peace. Taepingism is probably dead forever, and we are not aware that the mercantile interests, or the extension of Christianity, have materially suffered from the failure of the TIEN-WANG's Heavenly administration.

WHY THE GOLD REVENUE IS FALLING OFF.

PROHIBITORY DUTIES.

EXPERIENCE is revealing the many crude and absurd provisions of the present Tariff Act, whereby the revenue of the country is diminished rather than increased.

Take the article of spool-cotton for example. Selecting this article as one, solely of foreign manufacture, our legislators have thought no duty too high. The present specific and ad valorem duties amount to about

sixty per cent of the foreign cost, and are so arranged, that on a return to lower prices for raw cotton, they will amount to a tax of at least seventy-five per cent—one altogether prohibitory.

The protection incidentally given to a few New England spinners, at the expense of the United States Revenue, is enormous; the taxes paid by them, in currency, being only one-tenth part of those levied on the foreign spinners. The Internal Tax is five per cent in currency, a tax which produces from five to six cents per dozen at this time, and which will not yield more than two and one-quarter cents a dozen at the ordinary prices of spool-cotton. The duty on foreign thread, ranges from twenty-four to twenty-six cents per dozen, according to quality, and is payable in gold. When gold can be bought at a premium of 2.25, this is equal to 54c@60c. per dozen in currency. Since the Tariff Act went into effect, the fluctuations in the price of specie have made the duty, at times, equal to seventy-four cents in currency, against an average tax of *six* cents on the domestic article.

The consequence is an enormous falling off in the imports, and consequent specie-revenue, raised from duties on spool-cotton, which, for many years has been upwards of $300,000 in coin, at the port of New York alone; and which, for the past two years has been about $500,000 per annum. It is absurd to suppose that a domestic tax of only six cents per dozen in currency will make up this deficiency, even if the entire trade could be transferred to New England.

Already the general bulk of the importations of this article have been largely diminished under successive advances of duty, and since the last Tariff act went into effect, they have almost ceased. The great and sudden reduction of imports for the current year cannot be attributed to excessive importations prior to the passage of the Act, since the imports of 1864 were very nearly the same as those of the two preceeding years. The true explanation is to be found in the losses which foreign spinners are now suffering, in their attempts to contend against these heavy odds, whereby importation is stopped. The duty has passed the point at which the article will yield revenue.

The annexed tables are taken from the reports published weekly of the New York Customs, and are approximately correct, no official statement of revenue from spool-cotton being accessible. As regard the quantities imported at the Port of New York—the figures are official, the duty for each year being assessed according to the Tariff Act then in operation:

REVENUE COLLECTED FROM SPOOL-COTTON AT PORT OF NEW YORK.

In fiscal year ending.	Entered for consumption, and withdrawn from warehouse. Packages.	Foreign value.	D'ty ass'd, p. ct.	Revenue in Gold.
30th June, 1859.....	7,246	$1,621,199	24	$389,087 76
1860.....	7,198	1,589,185	24	381,404 40
(Duty at 30 p. ct, levied on 969 p'k'a. 1861.....	7,845	1,311,042	24	324,696 96
1862.....	5,546	1,063,267	30	318,980 80
1863.....	5,331	1,232,756	40	493,102 40
1864.....	4,539	1,257,856	40	503,142 40
Six months of 1865, 1st July to 15th Dec., 1864.....	631	180,002	Sp'fic Duty, eq'l to 12c, & 30 p. c. on 200 yd. thr'd, say, 60	108,001 20

COMMERCIAL LAW.—NO. 17.

INTEREST AND USURY.

(Continued from Page 440, Vol. 51.)

CHARGE FOR RISK OR FOR SERVICE.

It is undoubtedly lawful for a lender to charge an extra price for the risk he incurs, provided that risk be perfectly distinct and different from the merely personal risk of the debtor's being unable to pay. If anything is paid for this last risk, it is certainly usury. But if it is a part of the bargain that the debt shall not be paid if a vessel or goods do not arrive in safety, as is the case in a loan on bottomry, or on respondentia, this is not usury. And by the same principle, if one buys an annuity to end at the annuitant's death, or a life-estate, even on exorbitant and oppressive terms, against which a court of equity would relieve, still it is not a usurious contract, provided the purchase be actual, and not a mere disguise.

So, one may charge for services rendered, for brokerage, or for rate of exchange, and may even cause a domestic loan or discount to be actually converted into a foreign one, so as to charge the exchange; and this would not be usurious. But here, as before, and indeed throughout the law of usury, it is necessary to remember that the actual intention, and not the apparent purpose or form of the transaction, must determine its character. So, if one lends money to be used in business, and lends it upon such terms that he becomes a partner in fact with those who use it, taking his share of the profits, and becoming liable for the losses, this is not usurious.

So, if one enters into a partnership, and provides money for its business, and the other party is to bear all the losses, and also to pay the capitalist more than legal interest as his share of the profits, this is not usurious, because there is no loan, if there be in fact a partnership; because then there is a very important risk, as he becomes liable for all the debts of the partnership. If, however, there be only a pretended partnership, in order to disguise the fact of the loan, this would be usurious, although very possibly the lender might, as to a third party, lay himself open to a liability for debts incurred, by reason of his interest in the profits.

The banks always get more than legal interest by their way of discounting notes and deducting the whole interest from the amount they give. This is perfectly obvious if we take an extreme case; as if a bank discounted a note of a thousand dollars at fifteen years, in Massachusetts, the borrower would receive one hundred dollars, and at the end of fifteen years he would pay back the hundred dollars, and nine hundred dollars for the use of it. But this method is now established by usage and sanctioned by law. It must, however, be confined to discounts of negotiable paper, not having a very long time to run. For the rule is founded upon usage, and the usage goes no further.

THE SALE OF NOTES.

There are, perhaps, no questions in relation to interest and usury of more importance than those which arise from the sale of notes or other securities. In the first place, there is no doubt whatever that the owner of a note has as good a right to sell it for the most he can get, as he has to sell any goods or wares which he owns. There is here no question of usury, because there is no loan of money, nor forbearance of debt. But, on the other hand, it is quite as certain that if any person makes his own note, and sells that for what he can get, this, while in appearance the sale of a note, is in fact the giving of a note for money. It is a loan and a borrowing, and nothing else. And if the apparent sale be for such a price that the seller pays more than legal interest, or, in other words, if the note bear interest and is sold for less than its face, or is not on interest and more than interest is discounted, it is a usurious transaction. Supposing these two rules to be settled, the question in each case is, under which of them does that case come, or to which of them does it draw nearest.

We are not aware of any general principle so likely to be of use in determining these questions as this: If the seller of a note acquired it by purchase, or if it is his for money advanced or lent by him to its full amount, he may sell it for what he can get; but if he be the maker of the note, or the agent of the maker, and receives for the note less than would be paid him if only a lawful discount were made, it is a usurious loan. In other words, the first holder of a note (and the maker of a note is not, and cannot be, its first holder) must pay to the maker the face of the note, or its full amount. And after paying this, he may sell it, and any subsequent purchaser may sell it, as merchandise. The same rule (if it be law, of which we cannot doubt) must apply to corporations, and all other bodies or persons who issue their notes or bonds on interest. If sold by brokers for them, for less than the full amount, it is usurious. Nor can such notes come into the market free from the taint and the defence of usury, unless the first party who holds them pays for them their full value.

But then comes another question. If a note be offered for sale, and be sold for less than its face, and the purchaser supposes himself to buy it from an actual holder and not from the maker, can the maker interpose the defence that it was actually usurious, on the ground that the seller was only his agent? We should say that he could not; that there can be no usury unless this is intended; and that the guilty intention of one party cannot affect another party who was innocent. Undoubtedly, a note, originally usurious, is not healed, so far as the owner is concerned, by transfer to an innocent holder. The *indorsers* may be liable to the holder; but whatever defence the maker could have, on the ground of usury, against the first holder, he may always have against any subsequent holder. This is because there was actual usury at the beginning; that is, one lent and the other borrowed, both knowing that more than legal interest was paid. But in the case of an innocent purchaser, or, rather, of one who supposes, and has a right to suppose, that he is a purchaser, he did not lend his money at all; he only bought a security with it; and, therefore, there is no usury.

We should, however, say that, when a maker shows that the apparent

seller was only his agent, and offers this as evidence that the note passed from him usuriously, he thereby casts upon the buyer the burden of proving his innocence; but it is then enough for the buyer to satisfy the jury of his belief that he was only a purchaser.

As one may sell the notes or other securities which he holds as property under no other restriction than that which attends the sale of merchandise, so we think that a man may sell his credit. The cases which relate to this question are far from harmonious. In the dread of usury which was formerly entertained, and the determination—so strongly expressed by MANSFIELD—that it should not, by any device, escape the law, it has undoubtedly been held that the indorser of a note should be liable upon it only for what he received, with lawful interest. But although we have not much positive authority for setting this rule aside, we are quite confident that a better understanding of the nature of negotiable paper, of the contract of indorsement, and of the rules which properly belong to the sale and purchase of money, would make the indorser liable for the whole of the note.

If A holds the note of B, and sells it to C, without indorsing it, he can certainly sell it for what he pleases; if he chooses to add his indorsement, he will do so, and he will probably do this if the additional value, which he thus imparts to it exceeds the risk he incurs. If, then, he indorses the note, it is to make his merchandise more valuable; and it would seem to be little less than an absurdity to say, that a merchant may not thus give a paper he holds more value, or that he may give the paper this value, but must not realize this value by the sale. If, however, the rule is, that, when called upon by the indorsee, he may plead usury as between them, and pay either nothing, or so much only as he received, without regard to the amount he agreed by his indorsement to pay, it is obvious that the whole effect and utility of the indorsement would be very much impaired. We think that a seller with indorsement should be, and that he now generally would be, held as liable for the full amount of the note.

Some courts have held, that, if one honestly buys a negotiable note for less than its face, he can recover only so much as he pays, with lawful interest. But the law is otherwise generally, and especially in our most commercial States, for the plain reason, that, if this be law, no note would be saleable when money was worth more than lawful interest. That is, no one would buy it, if he could only get his money back with simple interest. Suppose one owes a note for $1,000, having six months to run, when money is worth twelve per cent per annum. The note is worth in the market $1,000, less six per cent, or $60; that is, it is worth $940. But if a man gave this, he could recover under this rule only what he gave, with simple interest; that is, $940 with three per cent interest, or $968.20. Therefore he would not buy it. Only where it is supposed that the law can always regulate and control the actual market value of money, can this rule prevail.

We should say, also, that one who, having no interest in a note, indorses or guaranties it for a certain premium, will be liable for its face; he does not now add his credit to the value of his property and sell both together, as where he indorses a note which he holds himself, but sells his credit alone. This transaction we should not think usurious. And if it was open to no other defence, as fraud, for example, and was in fact

what it purported to be, and not a mere cover for a usurious loan, we know no good reason why such indorser or guarantor should not be held liable to the full amount of his promise. This case arose in New York. A, being desirous of raising money upon a note, drawn by himself, and indorsed for his accommodation by B and C, authorized a broker to buy an additional name or guaranty, for the purpose of getting the note discounted, and application was accordingly made to D, who thereupon indorsed the note, receiving a commission of two and-a-half or three per cent therefor; it was held that the taking of the commission by D did not render the transaction usurious, and D was bound for the whole amount. The earlier cases, however, seem to have held that the compensation thus received must not exceed the lawful rate of interest for the time the paper has to run.

COMPOUND INTEREST.

Compound interest is sometimes said to be usurious; but it is not so; and even those cases which speak of it as "savoring of usury," may be thought to go too far, unless every hard bargain for money is usurious. As the authorities now stand, however, a contract or promise to pay money with compound interest cannot, generally, be enforced. On the other hand, it is neither wholly void, nor attended with any penalty, as it would be if usurious; but is valid for the principal and legal interest only.

Nevertheless, compound interest is sometimes recognized as due by courts of law, as well as of equity; and sometimes, too, by its own name. Thus, if a trustee be proved to have had the money of the party for whom he is trustee (who is called in law his *cestui que trust*) for a long time, without accounting for it, he may be charged with the whole amount, reckoned at compound interest, so as to cover his unlawful profits. If compound interest has accrued under a bargain for it, and been actually paid, it cannot be recovered back, as money usuriously paid may be. And if accounts are agreed to be settled by annual rests, which is in fact compound interest, or are actually settled so in good faith, the law sanctions this. Sometimes, in cases of disputed accounts, the courts direct this method of settlement.

Where money due on interest has been paid by sundry instalments, the mode of adjusting the amount which has the best authority, and the prevailing usage in its favor, seems to be this: Compute the interest due on the principal sum to the time when a payment, either alone or in conjunction with preceding payments, with interest cast on them, shall equal or exceed the interest due on the principal. Deduct this sum, and upon the balance cast interest as before, until a payment or payments equal the interest due; then deduct again, and so on.

THE TREASURY REPORT.—THE PAST AND FUTURE POLICY.

When a few months since Mr. Fessenden succeeded to the arduous position and complicated embarrassments bequeathed by Mr. Chase, we sympathised with the new Secretary in the great task he had undertaken. The finances, inflated like an immense balloon, and showing evident signs of colapse, after a more or less successful ascension, were put into his hands to guide and sustain. He has now had five months experience of the task, and his annual report is before us. We should, however, remember, in examining it, that he is not to blame for the errors of his predecessor, nor for their necessary consequences. Had he, therefore, taken hold of his department with a firm hand, and a steady purpose to guide the ship through the breakers that surround it—had he shown no signs of yielding to the cry of eager speculators who live upon inflation—had he adopted every expedient to bring his ballon to the earth again, no fault could be found with him. But we are sorry to see, that although he acknowledges this swiming in the air is not safe, yet he appears either to like it or has not the courage to make the necessary change: so he casts about for some means of sustaining himself without apparently having any exact idea of the kind of aid which will be effective.

He informs us that revenues from taxes are not as large as he hoped for, and appeals to Congress for some action which will be more efficient: and yet he fails to propose any adequate taxation or to make any change in the policy pursued. It is difficult, therefore, to see how he would attain the desired end. At the last session of Congress the duties on imports were doubled and the internal revenue charges consolidated and increased, and yet the revenue bears a less ratio to the increasing expenditure than ever. The actual income for three years has been as follows, with the estimate for 1865, now half elapsed:

	1862.	1863.	1864.	1865.
Customs	$49,056,397	$69,059,642	$102,316,153	$70,271,092
Lands	152,204	167,617	588,333	642,186
Direct tax	1,795,332	1,485,103	475,649	16,080
Internal revenue....	.....	37,640,788	109,741,134	249,562,860
Miscellaneous	931,787	3,046,615	47,511,488	24,020,171
Total revenue.....	$51,935,720	$111,399,766	$260,632,717	$344,512,389
Expenditures.....	474,744,778	714,709,995	865,234,087	1,248,790,997
Excess expenses.....	422,809,058	603,310,229	604,601,370	904,278,608

These figures present the difficulties of the position. The increase of expenditure is constantly exceeding the increase of revenue.

The statement of the income, as above given, is not quite accurate, however. It will be observed that the customs which are paid in gold are added up in their specie value, with other resources given in the currency value. This would have been accurate had the provisions of the law been carried out which provides that the coin received for currency shall be appropriated exclusively to the interest on the public debt and to a sinking fund. The amount of customs, however, exceeded the amount paid

for interest by forty-eight millions, and that sum, instead of being applied to a sinking fund, as the law directs, was sold and used for other purposes, under the head of miscellaneous receipts.* There is a credit of $16,498,975 for premium on gold sold. This would give a premium of about 33⅓ per cent on the surplus gold, but much of it was sold at 65 premium under official public notice; and at that premium the actual revenue of the year should have been $16,000,000 greater than reported, making $32,000,000 derived from the premium on gold for the service of the Treasury. The business of the present year is such that the customs will give no more than will be required for interest, and perhaps, as the Secretary intimates, not enough for that purpose. Hence, notwithstanding the increased estimate for the internal revenue tax, the actual revenue for the service of 1865 will be very little more than last year. This is apparent if we deduct the amount applied to interest:

Gold receipts	$102,316,153
Interest paid	53,685,422
Balance gold	$48,630,731
Add premium	32,500,000
Total used for general purposes	$81,130,731
Other revenue	158,316,564
Total currency revenue, 1864	$239,447,295
" 1865, less gold	274,241,297
Net increase	$34,794,002

Now, when it is borne in mind that these are results from a revised tariff, by which duties were doubled, and a revised revenue law which came into operation with Mr. FESSENDEN, in July, and that these figures also embrace a 5 per cent extra tax levied upon the incomes of 1863, and which the report of the Commissioner of internal revenue informs us will give $35,000,000; and when we remember, also, the great increase of our expenses, caused by the increased currency issued by the Treasury and the National Banks, we become aware of the gravity of our financial position and the necessity for some radical change.

We have already stated that the difficulty lies in the fact that our revenue, each succeeding year, bears a less and less ratio to the expenditures. Why this is so is evident. So long as prices rise our expenses must increase, and so long as Government adds to its issues of paper, and allows Banks to do the same thing, prices will evidently rise. The

* The Treasurer has applied the gold ($48,000,000) to purposes other than those the law directs, and all the explanation he makes is the following:

"The act of February 25, 1862, provides that the coin received for duties on imports shall, after paying interest on bonds and notes, be appropriated to the purchase of one per centum of the public debt, to be set apart with its accruing interest as a sinking fund, as the Secretary might, from time to time, direct. All experience has proved that, in a time of war, when expenditures must largely exceed receipts from ordinary sources, and large sums are borrowed in each year, the attempt to establish a sinking fund invariably fails. It is, in fact, simply borrowing to lend again. For this reason, no attempt to carry out this provision has yet been made."

extent to which our expenses are being multiplied by the currency is seen in the foregoing statement. The measure of the depreciation is the price of gold, which is lower in relation to paper than most other commodities, and is, consequently, a safe guide to the over-supply of paper. If we take, then, the average price of gold each fiscal year, in connection with the expenses for the same time, the one will explain the other:

	1862.	1863.	1864.	1865.
Expenses	$474,744,778	$714,709,995	$865,234,087	$1,248,790,997
Average premium on gold	8	40	60	125

Our expenses ought really to decrease as the war advances, since much of the material bought the first year does not have to be purchased again. The unfortunate policy that has been pursued, however, has made a contrary result.

If now we take the official tables of the receipts and expenditures of the quarter ending September 30th, being the first quarter of each of the two fiscal years 1864 and 1865, we may also learn the effect on the revenue of the paper issues:

	1863.	1864.
Customs	$22,562,018	$19,271,092
Lands	136,182	342,186
Direct tax	.....	16,079
Inland revenue	17,599,714	46,562,860
Miscellaneous	641,542	9,020,171
Total	$40,939,456	$75,212,408
Expenses	176,110,932	353,061,861
Excess borrowed	$135,171,476	$277,849,453

The following statement shows the revenue of these two quarters at its specie value, which was 30 premium in 1863 and 150 in 1864, and, also, the actual revenue, less the customs:

	Currency Revenue.	Specie value.
1863	$18,377,438	$14,136,481
1864	55,941,316	22,376,510

Thus we see there was an increase of $177,000,000 in expenses, while there was an increase of $37,000,000 in currency revenue, and only $6,000,000 in coin value. Can we look at such figures and then read with patience the portions of the report speaking in commendation of National Banks and their fast increasing currency, or those sentences recommending that unlimited power be granted the Treasurer to issue legal tenders!

Mr. Fessenden makes, apparently, a grave error in the amount to be borrowed this year. Thus, he gives the income and expenditure of the year as follows:

	Revenue.	Expenditure.
1 quarter actual	$75,212,408	$353,061,861
3 " estimated	269,299,981	1,245,729,135
Total	$344,512,389	$1,598,790,996
Deduct unexpended balances	.....	350,000,000
	.....	$1,248,790,996
Amount, less revenue	.....	904,278,607

This sum evidently represents the amount that must be borrowed, yet Mr. FESSENDEN states the amount to be $570,727,508. The error of this last statement is manifest from the fact that the official figures show the amount actually borrowed in the first quarter ending September 30, to have been $277,849,453, or nearly one-half of what he puts down to the whole year, and there still remained a large amount of arrear requisitions to be met.

Such seems to be the real condition of the Treasury, and the Secretary appears to be puzzled, for he does not pretend to point out any remedy. He suggests rather than advises a tax upon leaf tobacco, a tax on all sales of merchandise, that the income tax be made to embrace all sums, and that the tax increase in proportion to the income; also, that mineral lands be rented instead of sold. Any or all of these means he thinks will increase the revenne.

The great resource, however, is to borrow, and this is to be done on bonds with paper interest, even if it requires another flood of paper to float them. Why such a course is persevered in, is past finding out. Cannot the Government see that when they depreciate the currency they are not only increasing the expenses, as shown above, but are depreciating the value of the stock issued as compared with the products of industry? Thus the farmer in December, 1863, could get a United States six per cent gold interest bond of $1,000 for 170 barrels flour, to-day he can get the same bond for 90 barrels flour; or he could get the bond last year for 60 barrels mess pork, this year it will cost him but 30 barrels of pork.

The President, in his annual message, proposed that the bonds should be exempt from all tax, and made also exempt from seizure for debt. Mr. FESSENDEN sustains this expedient as follows:

"If our public debt must necessarily be large, and require a long course of years for its liquidation, its wide diffusion is most desirable. Such advantage should be offered as will induce all, who have anything to spare beyond the amount required for their own support or use, to invest the surplus, or a portion of it, in the national securities. These advantages can only be found in an increased rate of interest, an exemption from public burdens, and security of possession. What limit should be fixed in either of these particulars it is for the practical experience and wisdom of Congress to ascertain and determine."

This loan is so very objectionable that we cannot think it will be seriously entertained. Suppose the Government was able to absorb all the capital of the country in such a loan, who would pay the taxes necessary for interest, etc.?

Of course as the Secretary has no particular policy to recommend for raising the necessary funds, he asks for further and unlimited power to increase the currency. On this point he says:

"A wide discretion should be entrusted to the officer charged with the duty of negotiating loans, in order that he may be enabled to avoid unexpected difficulties occasioned by, possibly, conditions of the money market. This delicate and responsible duty must necessarily be entrusted to somebody, and the people can have no other reliable security for faithfulness in its discharge than may found in the established character of the individual *charged with so important a trust, whoever he may be.* The discretion thus confided should, in the opinion of the Secretary, include the power of increasing the currency."

He protests strongly against the supposition that he would needlessly increase the currency. But in regard to this power being granted the

Comptroller of the National Banks has the following excellent protest:

"Circulating notes have been issued under peculiar circumstances by other governments, as is now being done by that of the United States, but the judgment of the world is against it as a permanent policy, and nothing but an overpowering public exigency will at any time justify it. Under popular institutions like ours no more dangerous, no more corrupting power could be lodged in the hands of the party in possession of the Government; none more perilous to official probity and free elections. Give to a party dominant in the legislative and executive branches of the Government the authority of issuing paper money for the purpose of furnishing the country with its currency, subject, as it would be, to no restraint but its own pleasure, and what guaranty would there be that this authority would be honestly and judiciously used? If there were no risk in the preparation of the notes, and checks were provided to make fraudulent issues an impossibility, the power of issuing Government promises as a circulating medium is too dangerous a one to be conferred upon any party, except under extraordinary circumstances."

This is, as we said, no doubt a correct view of the matter. But although the Comptroller argues against Mr. FESSENDEN having this power, he claims it in behalf of the National Banks which he controls, and says it is indispensable for the Treasury to control the currency. He fails entirely to show how the increase of the currency through banks which he controls, is any less dangerous than for the Secretary of the Treasury to control the currency himself directly.

The gold revenue is now short of the interest account, and the spectre of a deficit gold fund presents itself to the mind of the Secretary:

"But whatever success might attend any effort to check speculation in coin, or to counteract its injurious effect, it is still obvious that so long as there remains a large and increasing necessity for its use, and a limited supply, it will command a price commensurate with the necessity and the difficulty of obtaining it. This necessity arises from the demand for foreign exchange, the customs duties, and to pay the interest on the public debt. The matter of foreign exchange I do not propose to discuss. The demand for duties on imports and that to pay the interest on a large portion of the public debt are so far identical that one is dependent upon the other. The laws authorizing the issue of bonds bearing interest in coin specifically pledged the revenue from customs to the payment of that interest, and provided for the collection of those duties in the same currency. In *the opinion* of the Secretary that pledge should not be violated; *a departure from it could only be vindicated by one of those state necessities which justify a nation in temporarily postponing its obligations in order to preserve the power to discharge them at a future day. When the pledge was given no one anticipated a possible continuance of the war for such a* length of time as would involve the increase of the public debt to the point it has already attained, or *the possible payment of interest in coin to an amount beyond the ability of duties on imports to supply.* It will be noticed, however, that our annual coin interest now exceeds $56,000,000. Should the additional amount required for the expenditures of the present fiscal year be raised upon bonds bearing interest in coin, and the revenue from customs not exceed the estimate predicated upon the receipts of the first quarter, it is quite manifest that resort must soon be had to some other source of supply, or recourse must be had to the emission of securities of a different character."

These suggestions thus put forth involve very grave consequences. The actual interest payable in coin is $61,000,000. The actual amount of duties in the last ten years of peace was $54,000,000 average. The paper outstanding convertible into coin stock will raise the interest to $70,000,000 if no more is created. The point is therefore reached when "resource must be had to securities of a different character," and what are these?

Such is the substance of the report of our new Secretary so far as he develops his future policy. To our mind there is little in it that is satis-

factory. It fails to suggest any plan for the future, or any remedy for the present. As we understand it, the Treasury is to be left to drift along, while old evils are too aggrivated. Oh, for a man brave enough to strike out boldly and swim against this current which is hurrying us on to bankruptcy! Is it fear that leads our official men to recommend a three per cent income tax when it should be thirty per cent, if there is no better way to raise the money? Is it something worse than fear that allows the further increase of our currency through Government and through banks? Why should banks of any kind (whether State or National) have the power to issue circulation now? Can the Government afford to increase its expenses each year as in the past, and can we as individuals continue to pay an advance each day for our daily bread? Is there no limit to our ability to do this? Certainly the late election has shown the administration that the people are in earnest in carrying on this war. All they ask is, that it be managed rightly, economically. Unwelcome as taxation is they are ready for it, if the Government will only avoid other measures which are neutralizing the payments they are called on to make.

COMMERCIAL CHRONICLE AND REVIEW.

IMPORTS AND EXPORTS AT NEW YORK FALLING OFF—PRICES OF SIXTEEN ARTICLES FROM 1862-64—EFFECT OF TREASURER'S REPORT—THE 7.3-10 BONDS, RIGHT OF CONVERSION—UNITED STATES PAPER, PRICES OF FOR YEAR—SPECIE AND PRICE OF GOLD—RATES OF EXCHANGE, ETC.

THERE has been, during the month, little change in a commercial point of view. The uncertainties that attended the election, the publication of the annual reports, the assembling of Congress, the new projects for increasing the taxes, and their probable influence upon the value of and demand for goods, together with the anxieties in relation to military operations, and their possible influence, in combination with the Treasuary measures for the raising of money upon the value of goods, have all tended to paralyze enterprise, the more so as a new draft for 300,000 men was announced towards the close of December. The imports and exports of the port of New York, as compared with last year, show a great falling off. They have been as follows, November 1 to December 19:

		Exports.		
	Imports.	Currency value.	Specie value.	Excess imports.
1863.....	$25,964,896	$20,027,109	$13,635,218	$12,329,678
1864	13,412,177	28,963,763	12,069,291	1,342,886

The amount of goods imported was hardly more than half that of the same period last year, but as the price of gold fluctuated in the market, advantage was taken of the low rates of gold to draw goods out of bond, and the duties so paid seemed to sustain the customs revenue, which nevertheless has been much less than at the same period last year. The rise in gold and in taxes has told

heavily upon consumption by greatly enhancing prices. The following is a comparative table of the prices of sixteen articles in illustration:

	March, 1862.	March, 1863.
Cordage, Manilla	$9 00 a 10 00	$18 00 a 18 50
Indigo	1 25 a 2 50	2 00 a 2 85
Coffee, Rio, 100 lbs	17 25 a 19 50	30 50 a 34 00
India rubber	48 a 50	85 a 87
Gunny cloth, 100 yards	11 00 a 11 50	16 00 a 16 75
Hides, Rio, 100 lbs	21 00 a 21 50	30 00 a 31 00
Plaster of Paris	1 50 a 1 75	3 60 a 3 75
Leather, oak. mid	27 00 a 30 00	40 00 a 42 00
Mahogany	35 00 a 45 00	45 00 a 55 00
Molasses, No. gall	50 a 55	45 a 47
Silk, raw	5 00 a 5 50	10 00 a 10 50
Cassia, 100 lbs	31 00 a 32 50	45 00 a 46 00
Gin	26 00 a 27 00	55 00 a 56 00
Sugar, Cuba, 100 lbs	6 87 a 8 75	9 25 a 11 50
Tin, Banca	30 00 a 32 00	56 00 a 58 00
Spelter	5 50 a 5 70	9 00 a 9 37
	$228 35 a254 25	$370 55a396 56

	March, 1864.	December, 1864.
Cordage, Manilla	$19 00 a 20 00	$24 00 a 25 00
Indigo	1 60 a 2 50	2 60 a 3 00
Coffee, Rio, 100 lbs	36 00 a 37 50	44 00 a 48 00
India rubber	83 a 85	1 16 a 1 20
Gunny cloth, 100 yards	15 50 a 15 75	20 50 a 21 00
Hides, Rio, 100 lbs	29 50 a 30 00	31 00 a 32 00
Plaster of Paris	3 25 a 3 50	4 50 a 4 80
Leather, oak. mid	45 00 a 47 00	49 00 a 52 00
Mahogany	100 00a150 00	75 00 a110 00
Molasses, No. gall	70 a 80	1 10 a 1 27
Silk, raw	9 50 a 9 75	14 00 a 15 00
Cassia, 100 lbs	62 50 a 65 00	100 00 a105 05
Gin	103 00a110 00	210 00 a215 00
Sugar, Cuba, 100 lbs	12 25 a 14 75	16 25 a 22 25
Tin, Banca	56 00 a 57 00	70 00 a 72 00
Spelter	12 50 a 13 00	15 00 a 15 50
	$516 13 a577 00	$679 11a789 27

This average aggregate rise has been as follows:

	Gold premium.	16 articles.	Rise per cent.
March, 1862	1¼	241 80	..
" 1863	54	383 55	60
" 1864	59	546 56	130
Dec., 1864	1 25	709 19	194

This table shows that the price of commodities keeps always in advance of that of gold. Thus the premium on gold is 125 per cent, and the advance in the articles has been 150 per cent on the gold price of those articles. These higher prices include the duties, the cost of gold with which payment is made, the price of exchange, the stamps and other taxes, and all the expenses and profits of the importers. Before the goods reach the consumers they are thus loaded with expenses, charges, taxes, and profits, which therefore necessarily diminish the ability of the consumers to take the usual quantities. The home manufacturers have had

less to contend with. They have been charged with three per cent tax, and other charges, and the rise in raw materials and wages, but they have been sustained by a large and effective demand from the Government for most materials of clothing, munitions, etc., at rates which have left a considerable profit. The manufacturing sections have indeed never been so prosperous as during the past year. It is the case, nevertheless, that the stocks of merchandise generally, as well in first hands, as those on the shelves of stores, and in possession of consumers, an far less than in ordinary years, while there is very little apparent disposition at the present moment to import. For these reasons prices are generally firm.

The effect of the annual Treasury report was not very marked. The leading idea advanced was that the issue of paper money would be restrained, and that dependance would be had mostly upon paper interests bearing securities, to the exclusion of gold stocks, the amount of which the Secretary intimated is quite as large as the revenue from customs will meet. Nevertheless, he asked for the authority to issue more legal tender at discretion, while avowing the strongest opposition to the exercise of that discretion.

The securities most pressed upon the public were 7.3-10 three year notes, with coupons payable half-yearly, and convertible into 5-20 six per cent gold stock at maturity. The right of conversion is not, in this case, very valuable, for the reason that the gold stock to be issued in exchange is also payable, at the will of the Government, at the end of 5 years, and may be paid in paper by the contraction of a new loan for the purpose. The sales were, therefore, not very great. An amount of about $27,000,000 of the 5-20 gold stock was issued to private takers at about 105. This stock was in some demand on account of the rapid increase of the new Banks, which desire them to place with the Comptroller. The negotiation was followed by another of the 10-40 five per cent gold stock, the only stock absolutely payable in coin at maturity. The amount of this stock authorized by the law of March, 1864, was $200,000,000. There had been sold about $82,000,000, and the balance of $18,000,000 was taken up, in the hope that the Secretary would make a public announcement withdrawing the remaining $100,000,000 from market. This he declined to do. Last year Mr. CHASE stopped the sale of the 5-20's while they were being rapidly sold, in order that by so doing the price might rise for the benefit of the speculators. The results were by no means satisfactory, and Mr. FESSENDEN seemed desirous of avoiding that mistake. The negotiation left the Treasury with the following means to negotiate:

10-40's 5 per cent gold stock	$100,000,000
5 20's 6 per cent gold stock	133,000,000
3 year 7.3-10 paper notes	60,000,000

The 10-40's were sold at par, with an allowance of 3-16 discount. The interest ran from September, and accrued interest was paid by the buyer in gold, or at the rate of 150 in currency. One year certificates, due before Jan. 6, were taken with the interest in full. One year notes, due in February, were also taken with interest. The movement caused a greater degree of activity in Government stocks, the more so that the scarcity of business paper directed the growing abundance of money mostly into Government stocks for employment.

This was encouraged by the disposition of the Government Banks to sell the stocks on small margins and lend the money on them. The effect on prices was as follows:

PRICES UNITED STATES PAPER.

		6's, 1881. Reg.	6's, 1881. Coup.	5's, 1874.	7 3-10, 3 years.	1 year certif. Old.	1 year certif. New.	Gold.
January	2..	104⅝	105⅛	96	106⅛	101⅛	97⅝	151⅛ a 151⅝
"	9..	104⅝	105⅛	96	106⅛	102	97⅝	152 a 152⅛
"	16..	104	105⅛	96	106⅛	102⅛	97⅝	155 a 155⅛
"	23..	106	107	97	107	103	97	156 a 158
"	30..	106⅝	106	100	107⅛	102⅝	97⅝	156⅛ a 156⅝
February	6..	107⅝	107⅛	100	108	102⅝	98⅛	159⅝ a 159⅝
"	13..	109⅝	109⅝	100	109⅛	103	98⅛	159⅛ a 159⅛
"	20..	111⅛	110	100	111	103	99⅛	159⅝ a 161
"	27..	111⅛	110⅛	100	111	103	99⅛	159⅝ a 161
March	5..	111⅛	111	100	111	103⅛	99⅛	161⅛ a 161⅛
"	12..	112	112	100	110⅛	103	99⅛	162⅛ a 162⅛
"	19..	112	112⅛	100	110⅛	103	99⅛	162 a 162⅛
"	26..	112	112⅛	100	111⅛	103	99⅛	169⅝ a 179
April	2..	111	110	100	111	...	99⅛	166⅛ a 167⅛
"	9..	112	112	102	111⅛	...	99⅛	169⅛ a 170
"	16..	107⅛	112⅛	102	112	...	99	173 a 189
"	23..	105⅛	108	109	109	...	97	174⅛ a 179
"	30..	114	114	102	111	...	98⅛	179⅛ a 179⅛
May	7..	113	113	102	109⅛	...	98⅛	173⅛ a 178⅝
"	14..	114	114⅛	102	111	...	98⅛	172⅛ a 172⅛
"	21..	114	114	102	111	...	98⅛	183 a 183⅛
"	28..	114	114	102	111	...	98⅛	186 a 186⅛
June	4..	109	113⅛	102	109⅝	...	98	190⅝ a 191
"	11..	108	113	102	108⅛	...	97⅞	198⅛ a 198⅝
"	18..	107	112	102	107	...	97	195⅛ a 196
"	25..	104⅛	112	102	106⅛	...	96⅛	212 a 216
July	2..	104⅛	111	102	105⅛	...	94	235 a 240
"	9..	104	104	102	105	...	94	266⅛ a 267
"	16..	102⅝	102⅝	102	103⅛	...	94⅛	244 a 285
"	23..	102⅛	102⅛	102	103⅛	...	92⅛	250 a 268
"	30..	107	107	98	107⅛	...	95⅛	251 a 251⅛
Aug.	6..	106⅛	105⅛	99	107⅛	...	94⅛	260 a 260⅛
"	13..	106⅝	107	100	108	...	95	256⅛ a 256
"	20..	108⅛	108⅛	100	110	...	94⅛	257⅛ a 257⅛
"	27..	109⅝	109⅝	100	111⅛	...	95	254 a 255
Sept.	3..	107	107	100	111	...	93⅝	254 a 254⅛
"	10..	107	108⅛	100	111	...	93⅛	234 a 233
"	17..	108	108⅛	100	110⅝	...	93⅛	222⅛ a 222⅝
"	24..	108	107⅛	100	110⅝	...	94⅛	212⅛ a 212⅛
Oct.	1..	106	106⅛	103	110⅝	...	94⅝	194⅛ a 194⅝
"	8..	105⅛	105⅛	100	105⅛	...	94⅛	200⅛ a 200⅝
"	15..	106	105⅝	100	105	...	94⅝	213⅛ a 214
"	22..	106	106⅛	100	105	...	94⅝	209⅝ a 210
"	29..	106⅛	105⅞	100	108	...	95	216⅛ a 216⅝
Nov.	5..	107⅛	106⅝	100	106⅝	...	95⅛	239⅛ a 240
"	12..	107⅛	107⅝	100	108	...	95⅝	244 a 245
"	19..	110⅛	110⅛	100	118	...	96⅝	216⅛ a 217
"	26..	111⅛	111⅛	100	120	...	96⅝	219 a 219⅛
Dec.	3..	107⅛	107⅛	100	116	...	97⅛	231⅛ a 232
"	12..	108⅛	108⅛	100	120	...	97⅛	240 a 241⅛
"	19..	109	109⅛	100	120	...	97⅝	234⅛ a 234⅛
"	26..	110	110	100	120	...	96⅝	217 a 217⅛

The rise in the 6's carried the prices here to a rate higher than the price abroad, which varied from 40 a 43 cents per dollar in London.

The demand for gold was well sustained during the month for export, and the movement was as follows:

SPECIE AND PRICE OF GOLD.

	1863.		1864.			
	Received.	Exported.	Received.	Exported.	Gold in bank.	Prem. on gold
Jan. 2	.....	681,448	254,239	590,262	25,161,935	51¼ a 52
9	1,277,788	726,746	.....	1,216,204	25,122,002	51¾ a 52
16	.....	1,880,247	279,801	1,985,057	24,884,264	52¼ a 56¼
23	678,841	780,817	365,608	1,000,000	24,631,204	56 a 58
30	.....	1,331,027	324,864	668,747	24,203,632	56¼ a ...
Feb. 6	301,860	1,277,000	.....	662,616	24,070,191	¾9¼ a ...
13	359,987	1,152,846	363,198	1,219,808	23,521,453	95 a ...
20	.....	520,017	.....	325,632	22,523,918	59 a ...
27	285,394	1,377,016	407,057	531,700	22,301,687	165 a 61
March 5	1,248,551	733,643	512,358	629,803	21,220,653	61¼ a 66¼
12	.....	3,540,550	.....	465,920	20,750,495	62 a 62
19	249,514	1,201,907	281,304	83,881	21,059,512	62 a 70
26	159,105	1,050,156	376,101	273,900	20,425,504	69¼ a 68¼
Apr. 2	250,778	473,385	273,429	168,912	19,527,665	68¾ a 71¼
9	.....	607,059	302,344	345,471	20,924,287	67 a 29
16	217,602	155,437	269,522	1,002,384	21,687,670	71 a 89
23	256,604	629,855	.....	3,226,000	24,868,203	72¼ a 79
30		294,998	282,376	1,271,886	24,087,343	77 a 85
May 7	205,057	451,827	282,276	1,174,241	23,082,028	71 a 81
14		661,996		2,452,668	22,635,155	61¾ a 76¾
12	258,570	488,745	383,428	1,884,195	22,091,691	73 a 85
28	.....	279,994	.....	580,820	21,978,180	87¼ a 92¼
June 4	318,066	411,488	271,801	1,425,588	22,461,604	87 a 90¼
11	.....	235,364	.....	1,543,600	24,041,704	92 a 99¼
18	.....	522,147	291,208	1,886,668	22,916,291	94 a 98¼
25	187,082	134,432	281,011	1,296,356	22,000,898	99 a 130
July 2	.....	347,807	.....	560,677	21,206,685	115 a 180
9 ...	254,947	401,936	301,207	486,339	20,084,917	122 a 176¼
16 ..	.....	2,190,781	.....	301,244	21,234,554	144 a 185
23	.....	1,725,748	249,095	556,464	21,033,912	150¼a168¾
30 ...	270,132	480,374	284,301	404,312	21,051,896	144 a159
Aug. 6	.....	550,044	.....	90,111	21,159,518	155 a161¼
13	313,612	1,210,220	.....	341,883	21,080,309	152 a159¼
20	.....	238,398	571,281	48,009	20,794,268	155 a158
27	231,854	1,379,710	.....	206,398	19,952,949	145 a157
Sept. 3 ..	.....	309,799	387,281	444,503	20,136,547	131 a153
10	279,043	852,752	.....	486,451	20,603,881	125 a143
17	193,548	535,796	369,592	669,733	20,065,180	114 a130
24	277,380	1,411,611	.....	1,288,559	20,065,180	100 a126
Oct. 1	.....	803,583	281,481	603,604	19,671,131	85 a105
" 8	268,282	2,555,656	275,131	287,758	20,066,557	89 a106
" 15 ...	.....	1,206,950	191,781	239,491	20,522,032	99 a108
" 22	267,911	1,243,273	.....	616,456	21,010,360	110 a115
" 29	.....	585,302	279,121	932,648	21,078,307	109¼a120¾
Nov. 5	547,338	646,017	381,310	2,296,630	21,740,327	121¼a146
" 12	281,840	395,796	489,632	1,224,280	22,491,122	238 a260
" 19	261,730	1,006,907	.....	1,545,165	21,488,959	209¾a225
" 26	261,101	1,331,057	.....	1,524,113	20,248,716	216¼a228½
Dec. 3	.....	1,771,021	.....	1,523,255	20,273,919	225 a235
" 12	305,650	1,409,455	376,878	1,072,508	20,713,208	226¼a243¼
" 19	297,899	1,466,497	792,517*	1,671,487	20,868,768	223¼a227½
" 26	.....	730,806	381,220	1,281,351	20,600,441	211¼a226
Total.....	11,037,229	$49,882,515	12,484,145	49,571,731		

* $500,000 to United States Treasury.

A good deal of the export movement is due to the amount of gold stocks held abroad. Of these it is estimated that $150,000,000 are there held, which would involve a shipment of $9,000,000, or 25 per cent of the receipts from California. The Secretary of the Treasury in his report states, however, that he had large additional sums to pay abroad, and to meet them sent out $10,000,000 of stock to sell, but failed in the negotiation, and was therefore compelled to send $4,000,000 of gold from California for that purpose. The demand for travelers, for remittances of emigrants, and for State and corporation interest and dividends, form important items of remittance in addition to the payments on account of imports. It was also the case that the Bank of France had been a buyer of gold to aid in bridging over adverse exchanges, until the current of trade set back. This accelerated the export hence. The whole export for the year has been such as to diminish the amount here by perhaps $40,000,000. The dealing in gold has become large, regular and permanent, and the fluctuations in currency such that it has been necessary to confine exchange transactions to the gold price, payable in gold, as is also the case with many leading articles of importation. Under these circumstances the transportation and safe keeping of the gold became onerous. The large dealers, therefore, by consent, took a common depository—the Bank of New York—where all the gold that arrives for the parties interested is deposited, and is transferred by certificate from hand to hand, until wanted, for shipment, or for customs, when the holder of a certificate draws it. This seems to be the initiation of a system like that of the Bank of Hamburg, which grew out of a similar difficulty, viz., the permanent depreciation of the currency making it too unstable for purposes of foreign commerce. Hence pure silver lodged with the Bank becomes the medium of settling exchanges, and is termed "banco," in distinction of currency, which bears an hourly varying "agio." The demand for exchange has been quite limited, and the rates as follows :

RATES OF EXCHANGE.

	London.	Paris.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Jan. 2,	166 a 166½	3.38¾ a 3.34½	62½ a 63	62⅝ a 63½	55½ a 56	110½ a 111
" 9,	166½ a 167⅝	3.38½ a 3.40	62⅝ a 63	62⅝ a 63½	55⅝ a 56½	110½ a 111
" 16,	169½ a 170⅝	3.30 a 3.32½	64 a 64½	64½ a 64⅝	56½ a 57½	112⅝ a 113¾
" 23,	170 a 171	3.31 a 3.33	64½ a 64½	64½ a 65	56⅝ a 57	112⅝ a 113¾
" 30,	171 a 172	3.32½ a 3.28½	64½ a 64⅝	64½ a 65	57½ a 57½	113½ a 114
Feb. 6,	174 a 175	3.26½ a 3.23⅝	65½ a 66⅝	65½ a 66	58 a 58½	115 a 116
" 13,	173 a 174½	3.27½ a 3.23½	65 a 65½	65½ a 65½	58½ a 58½	115½ a 116
20,	172½ a 174	3 27½ a 3.23⅝	65½ a 65⅝	65½ a 65⅝	58½ a 58½	115½ a 116
27,	173½ a 174	2.26½ a 3.22	65½ a 65½	65⅝ a 66	58⅝ a 58⅝	115⅝ a 116½
5,	174½ a 175⅝	3.25 a 3.21½	65⅝ a 66½	66 a 66½	58½ a 59	116 a 117
12,	177 a 178	3.15 a 3.18⅝	66 a 66½	67 a 67½	59 a 59½	117½ a 118
19,	176 a 177	3.22½ a 3.18⅝	65½ a 66½	66 a 66½	58½ a 59	116 a 117
26,	179½ a 182	3.15 a 3.10	67⅝ a 68½	68 a 68⅝	60½ a 61	120 a 121
April 2,	177½ a 181	3.18⅝ a 3.12½	66⅝ a 67	67 a 67⅝	59½ a 60½	118 a 120
" 9,	184 a 185	3.08 a 3.06½	68½ a 69	68⅝ a 69½	61½ a 62	121½ a 122
" 16,	189 a 191	2.97½ a 2.95	70 a 71	70½ a 71½	62½ a 64½	127 a 128
" 23,	190 a 192	3.05½ a 2.95	71½ a 71⅝	71½ a 72	62⅝ a 63½	124 a 125
" 30,	195 a 198	2.90 a 2.85	73 a 74	73½ a 74½	65 a 66	130 a 131
May 7,	192 a 195	2.96½ a 2.90	72 a 73	72½ a 73½	63½ a 64½	126 a 127
" 14,	192 a 187	2.95 a 3.02	71½ a 70⅝	71½ a 71	62½ a 63	124 a 125
" 21,	196 a 198	2.87½ a 2.83½	74 a 75½	73½ a 75	65 a 66	130 a 131
" 28,	201 a 203½	2.81½ a 2.77½	75½ a 76⅝	75½ a 76½	67 a 67½	134 a 135

	London.	Paris.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
June 4,	218 a 210	2.72½ a 2.68¾	78 a 79	77½ a 74½	68½ a 69	135 a 136
" 11,	215 a 218	2.65 a 2.60	79 a 79½	78 a 79	71½ a 72	143 a 144
" 18,	216 a 219	2.64 a 2.68	79½ a 80¼	80 a 80½	72 a 73	145 a 145
" 25,	235 a 238	2.37½ a 2.41½	86 a 87	.. a ..	76 a 77	154 a 155
July 2,	270 a 295	2.15 a 1.92½	93 a 94	.. a ..	85 a 95	185 a 195
" 9,	292 a 298	1.95 a 1.87½	.. a ..	200 a215	96 a 98	184 a 188
" 16,	268 a 290	Nominal.				
" 23,	278 a 282	2.10 a 2.01½	.. a ..	101 a103	90 a 93	182 a 184
" 30,	270 a 274½	2 15 a 2.07½	.. a ..	98 a100	88½ a 90½	178 a 180
Aug. 6,	279 a 283	2.00½ a 2.00	.. a ..	103 a105	91 a 93	184 a 185
" 13,	274 a 277	2,05 a 2.07½	.. a ..	.. a ..	91½ a 92½	183 a 185½
" 20,	278 a 279½	2.06½ a 2.02½	100 a 102½	101 a103	91½ a 92½	183 a 184
" 27,	275 a 276	2.08½ a 2.05	.. a ..	.. a ..	90 a 90½	178 a 180
Sept. 3,	260 a 275	2.15 a 2.05	.. a ..	.. a ..	85 a 90½	170 a 180
" 10,	253 a 256	2.25 a 2.20	93 a 94	.. a ..	83 a 84	166 a 167
" 17,	245 a 248½	2.31½ a 2.27½	.. a ..	.. a ..	80½ a 81½	.. a ..
" 24,	230 a 240	1.47½ a 2.35	.. a ..	88 a 90	76 a 80	.. a ..
Oct. 1,	208 a 210	2.75 a 2.68¾	.. a ..	.. a ..	67½ a 68½	.. a ..
" 8,	210 a 218	2.70 a 2.60	.. a ..	.. a ..	70 a 72	.. a ..
" 15,	218 a 230	2.55 a 2.45	69 a 71	.. a ..	72 a 75	138 a 142
" 22,	108¾ a 109½	5.16½ a 5.20	40¾ a 41	.. a ..	35½ a 36	71 a 72
" 29,	108¾ a 109	5.18¾ a 5.22	.. a ..	.. a ..	35¾ a 36½	71½ a 72
Nov. 5,	109½ a 109¾	5.17½ a 5.25	40 a 41	40½ a 41	35¾ a 36¾	70¾ a 72
" 12,	109½ a 109¾	5.16½ a 5.25	40 a 41	40½ a 41½	35½ a 36½	70 a 72½
" 19,	109½ a 109¾	5.25 a 5.16	40½ a 41½	41 a 41½	35½ a 36	72 a 72½
" 26,	109½ a 109¾	5.15 a 5.17½	... a ...	... a ...	35½ a 36½	71¾ a 72½
Dec. 3,	109½ a 109¾	5.15 a 5.17½	... a ...	40½ a 41½	36½ a 36½	72 a 72½
" 12,	109⅝ a 109½	5.15 a 5.17½	... a ...	... a ...	36½ a 36¾	72 a 72½
" 19,	109½ a 109¾	5.16½ a 5.17½	... a ...	... a ...	36½ a 36¾	72 a 72½
" 26,	109½ a 109¾	5.16½ a 5.15	... a ...	... a ...	36¾ a 36¾	.. a ..

The payment of the Federal interest, January 1, to the amount of about $9,000,000, involves some remittances to foreign holders.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

STATE BANKS COMING UNDER NATIONAL LAW—INCREASE OF NATIONAL BANKS, AND THE NUMBER ORGANIZED IN EACH STATE—INTEREST ON DEPOSITS—NEW YORK BANK RETURNS—RETURNS OF THE BANKS OF PHILADELPHIA, BOSTON, MASSACHUSETTS, RHODE ISLAND, OHIO, AND WISCONSIN —CONDITION OF BANK OF ENGLAND, AND RETURNS—BANK OF FRANCE RETURNS.

In our last number we remarked upon the fact that the Banks of Boston and Philadelphia, with those of New York, were disposed, and some of them were taking steps to come under the national law. This movement has since become more general for reasons then stated, and the chances now are that all the State Banks will merge themselves under the new law. The advantages to stockholders in selling the gold on hand, dividing the surplus, and begining anew under a system which never contemplates a return to specie payments, are apparently very great. The progress of the Banks has been as follows:

	No. banks.	Capital.	Circulation.
Oct. 22	556	$98,111,420	$56,858,036
" 29	560	104,746,070	58,784,180
Nov. 5	564	105,381,070	60,460,100
" 12	568	106,540,750	62,350,320
" 19	578	108,440,870	64,529,470
" 26	587	110,950,870	68,535,070

Dec. 8	601	115,710,870	70,507,840
" 19	620	121,256,020	70,250,840
" 17	631	128,151,020	72,383,740

This rapid increase involves the adhesion of the old Banks to the new system, into which the Comptroller of the currency confidently expects the absorption of all of them. It was rumored, therefore, that the further formation of new Banks had been discouraged by the Comptroller, and consequently he published the following denial of the rumor:

"The Comptroller has given no such notice. In view of the fact that State Banks are being rapidly organized under the National Currency Act, and that in the Eastern States there is no deficiency, but rather an excess of banking capital, he has considered it to be his duty to discourage, in many instances, new organizations, and in more instances, the increase of the capital of those already in existence. It is the aim of the Comptroller to introduce the National Bank note circulation without adding to the present inflation; but it is not in his power to prevent new organizations, nor is it his desire to do so, in places where the legitimate business of the country seems to require additional banking facilities."

The Secretary of the Treasury in relation to the circulation of the old Banks stated that the amount out in July, 1864, was $144,000,000. To extend the new system to $300,000,000 would involve an increase of $156,000,000 in the currency, even if the old note circulation should be entirely withdrawn. The old Banks, especially those in cities, hold stocks enough to lodge with the Comptroller for circulation without purchasing any more, and it is evidently for their interest to utilize the stock by obtaining circulation for it. The number of Banks in each State, November 25th, was given officially as follows:

NATIONAL BANKS.

State.	No.	Capital stock paid in.	Circulation.	Bonds.
Maine	18	$2,749,800 00	$1,887,880	$2,244,500
New Hampshire	9	1,120,000 00	552,700	944,000
Vermont	10	1,490,000 00	1,311,800	1,636,000
Rhode Island	2	700,000 00	414,000	560,000
Massachusetts	67	25,909,040 00	12,536,850	16,888,650
Connecticut	20	5,176,638 00	4,084,050	4,525,500
New York	100	20,599,175 08	12,584,950	14,064,600
Pennsylvania	109	21,120,148 88	10,198,830	14,964,100
New Jersey	16	2,141,249 00	1,756,170	2,011,000
Delaware	1	300,000 00	200,000	250,000
Maryland	3	1,560,000 00	1,245,000	1,400,000
District of Columbia	2	600,000 00	477,000	534,000
Virginia	1	95,025 00	95,000	112,000
West Virginia	2	206,950 00	140,000	230,000
Ohio	84	10,035,165 86	7,505,880	8,749,850
Kentucky	1	200,000 00	162,000	184,000
Indiana	34	4,201,671 26	3,148,400	3,924,100
Illinois	38	4,147,837 25	3,396,560	3,794,600
Michigan	15	1,165,090 00	797,800	943,500
Wisconsin	15	1,040,277 00	774,500	903,050
Minnesota	4	590,000 00	442,000	603,000
Iowa	20	1,215,000 00	945,900	1,092,000
Nebraska Territory	1	40,000 00	27,000	30,000
Kansas	1	100,000 00	49,000	55,000
Missouri	7	1,621,530 00	722,000	865,000
Tennessee	3	340,000 00	234,380	263,000
Louisiana	1	500,000 00	180,000	200,000
Total	534	$108,964,597 28	$65,864,650	$81,961,450

The business of the new Banks continues to be mostly Government transactions. Those institutions are deemed fiscal aids to the Treasury. The city institutions employ large amounts of Bank balances, Government deposits, and individual deposits, but at times like the present, when there is not much business paper created, the employment for money is not so active in the usual channels. At the same time there is a considerable amount of individual money unemployed, which might be directed to the service of holders of United States bonds. In this view the first National Bank of New York makes offers as follows:

"*Resolved*, That this Bank confine its discounts to collateral loans on United States securities, payable on *call or at short* dates, except in its dealings with corresponding Banks, where advances on bills receivable may be proper.

"*Resolved*, That this Bank issue to depositors, when so desired, deposit receipts instead of the ordinary Bank pass-book, such deposit receipts to be payable on demand, and to bear interest at the rate of three per cent per annum on all amounts from $100 to $1,000, and at the rate of four per cent on all amounts of $1,000 and upwards; but no interest shall be allowed on deposit receipts paid within fifteen days from the date of issue."

The operation of this is to draw into the Bank the funds of individuals, who thus get their money employed at a fair rate of interest, and always on demand. This issue of deposit receipts bearing interest, and payable on demand, is, we think, a novel feature in Banks. It is of the nature of the Government deposit certificates, without the formality of ten days notice. The funds so attracted to the Banks are employed in advances on United States stocks. The idea seems to be to strengthen holders of those securities who may be in want of a temporary loan.

The old Banks, as will be observed in the weekly returns, show a continual decline of circulation, and in Boston and Philadelphia of specie, which it seems is being gradually sold. The New York Bank returns are as follows:

NEW YORK BANKS.

NEW YORK BANKS. (*Capital, Jan.*, 1864, $———; *Jan.*, 1863, $69,494,577.)

Date.		Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
January	2,..	$174,714,465	$25,161,935	$6,103,331	$140,250,856	$300,753,147
"	9,..	173,009,701	25,122,002	6,032,546	134,861,977	387,546,217
"	16,..	165,991,170	23,384,264	6,008,182	130,311,046	416,962,806
"	23,..	162,925,880	24,077,513	5,049,807	130,136,203	460,811,543
"	30,..	162,296,896	24,203,632	5,913,558	130,665,415	427,306,608
February	6,..	163,076,846	24,070,791	5,974,762	133,849,042	425,430,985
"	13,..	165,090,329	23,521,453	5,916,707	140,464,616	467,751,745
"	20,..	168,302,935	22,523,918	5,908,394	148,014,106	514,887,411
"	27,..	174,928,205	22,301,687	5,907,851	154,875,059	575,442,304
March	5,..	182,317,378	21,188,034	5,937,167	158,999,668	518,951,433
"	12,..	189,757,746	20,750,405	5,918,807	168,044,977	688,822,273
"	19,..	198,229,513	21,059,542	5,889,197	169,637,975	618,338,858
"	26,..	199,372,437	20,425,504	5,514,139	168,315,904	576,253,989
April	2,..	203,993,131	19,526,665	5,708,908	171,151,297	670,372,745
"	9,..	204,333,192	20,924,287	5,804,511	170,513,020	658,352,112
"	16,..	198,703,699	21,687,670	5,779,650	168,350,790	646,593,643
"	23,..	196,286,722	24,868,003	5,679,947	161,978,166	672,442,840
"	30,..	194,157,495	24,087,343	5,626,978	164,578,919	446,587,420
May	7,..	192881,246	23,082,028	5,594,832	168,562,197	410,052,013
"	14,..	194,178,921	22,635,155	5,482,357	174,426,682	413,552,127
"	21,..	197,356,939	22,091,691	5,367,355	173,111,884	486,884,114
"	28,..	195,813,462	21,973,180	5,240,812	171,765,696	410,972,198

Date.		Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
June	4,..	196,740,609	22,461,604	5,180,639	174,516,367	477,648,207
"	11,..	194,935,822	24,041,704	5,049,457	172,537,248	445,519,165
"	18,..	195,773,583	22,916,291	4,959,096	169,445,767	431,158,427
"	25,..	197,077,002	22,000,988	4,807,195	158,772,982	442,840,362
July	2,..	198,089,016	21,206,685	4,752,917	154,989,844	452,583,531
"	9,..	199,699,742	20,084,917	4,696,107	153,525,977	336,521,426
"	16,..	199,043,887	21,234,354	4,724,538	151,816,947	466,125,408
"	23,..	190,885,761	21,033,912	4,688,892	147,981,325	403,144,195
"	30,..	185,838,480	21,051,896	4,553,426	152,929,633	399,489,739
August	6,..	185,563,507	21,159,518	4,522,728	153,279,263	415,360,181
"	13,..	185,074,244	21,080,309	4,417,804	155,826,514	422,879,926
"	20,..	185,998,407	20,794,268	4,346,658	156,536,217	382,685,847
"	27,..	188,502,729	19,952,949	4,256,847	156,086,807	406,296,866
September	3,..	189,414,631	20,136,547	4,200,950	151,068,566	436,381,918
"	10,..	187,285,127	20,603,881	4,181,616	147,967,942	435,795,830
"	17,..	186,317,519	20,185,315	4,169,513	146,378,542	498,191,745
"	24,..	185,551,211	20.065,180	4,147,107	144,654,935	461,221,702
October	1,..	185,896,837	19,671,131	4,157,828	145,816,097	543,084,474
"	8,..	185,875,206	20,066,557	4,131,111	146,333,022	506,281,897
"	15,..	185,357,270	20,522,032	4,051,767	150,235,084	494,830,434
"	22,..	185,738,764	21,010,360	3,991,779	150,816,884	511,388,091
"	29,..	186,521,351	21,078,307	3,920,290	151,883,092	437,717,893
Nov.	5,..	187,378,510	21,740,327	3,850,463	153,920,403	641,833,442
"	12,..	188,914,029	22,491,122	3,735,685	153,383,095	573,145,880
"	19,..	190,460,852	21,438,959	3,700,626	158,154,196	578,069,364
"	26,..	192,679,080	20,248,716	3,615,648	161,422,248	452,028,948
Dec.	3,..	196,363,507	20,273,919	3,570,321	165,432,990	549,927,689
"	10,..	202,470,849	20,713,208	3,516,372	161,916,344	557,185,959
"	17,..	204,479,016	20,863,768	3,457,034	159,565,385	517,534,142

The increase in loans is due to the Government loans taken by the institutions during the month. This case is the same with regard to the Banks of Boston and Philadelphia.

The following are the returns of these Banks:

PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan.*, 1863, $11,740,080; 1862, $11,970,180.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,...	$35,698,808	$4,153,585	$2,055,811	$29,878,920	$4,316,763	$2,963,563
" 11,...	35,458,967	4,158,235	2,050,891	30,484,227	4,001,473	2,814,188
" 18,...	34,896,842	4,158,125	2,044,427	31,194,851	4,330,120	3,063,148
" 25,...	34,849,959	4,103,065	2,047,846	32,354,253	3,500,693	2,905,921
Feb. 1,...	34,845,126	4,108,109	2,056,532	32,027,147	3,453,431	3,271,306
Feb. 8,...	34,146,677	4,102,671	2,066,069	31,033,030	4,080,059	2,461,273
" 15,...	34,590,880	4,102,748	2,069,061	29,911,704	4,322,609	2,080,750
" 22,...	35,059,676	4,102,588	2,119,488	30,783,741	4,468,751	2,099,778
" 29,...	35,519,704	4,102,848	2,167,348	31,435,753	4,837,264	2,114,227
Mar. 7,...	35,918,334	4,102,632	2,208,492	31,712,547	5,823,316	2,116,042
Mar. 14,...	35,956,678	4,099,707	2,308,250	32,511,405	5,508,146	2,333,819
" 21,...	36,412,923	4,099,664	2,340,132	32,835,038	6,933,974	2,428,227
" 29,...	36,695,415	4,096,401	2,357,768	33,156,496	5,791,191	2,724,935
April 4,...	37,262,220	4,095,495	2,390,092	34,404,607	5,641,638	3,425,805
" 11,...	37,032,110	4,095,461	2,379,827	35,958,444	5,855,277	3,799,151
" 18,...	39,535,334	4,095,387	2,329,590	38,174,046	5,748,257	3,291,176
" 25,...	39,570,567	4,095,475	2,253,386	37,393,247	6,067,966	2,592,465
May 2,...	39,770,486	3,972,849	2,241,885	37,758,886	6,374,531	2,730,540
" 9,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 16,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,853,894
" 23,...	39,639,436	3,967,263	2,152,827	37,466,311	6,636,576	2,786,080
" 30,...	39,262,695	3,964,522	2,131,919	37,638,814	6,580,548	2,853,894

June 7,...	39,723,493	3,694,320	2,100,927	38,249,800	5,993,116	3,186,259
" 14,...	40,286,433	3,964,758	2,077,753	38,367,171	5,930,707	3,007,283
" 21,...	40,286,488	3,964,529	2,074,273	37,588,203	6,409,664	2,998,548
" 27,...	42,057,758	3,963,640	2,092,470	39,122,865	6,544,668	3,139,132
July 4,...	40,918,009	3,955,886	2,154,258	37,945,805	6,225,952	4,325,450
" 11,...	40,717,527	3,949,105	2,337,651	37,312,423	6,197,570	4,658,667
" 18,...	40,731,324	3,948,440	2,208,068	36,462,271	6,189,843	3,616,992
" 26,...	42,057,758	3,963,640	2,092,470	39,122,865	6,544,668	3,139,132
Aug. 2,...	39,277,930	3,962,385	2,249,226	36,520,768	6,059,048	3,816,165
" 9,...	39,142,449	3,962,867	2,231,894	37,234,436	5,992,712	3,785,896
" 16,...	39,353,341	3,962,313	2,214,929	36,826,674	5,801,231	3,691,201
" 24,...	39,401,423	3,962,154	2,222,401	35,869,084	5,738,141	3,891,137
" 31,...	39,778,594	3,972,413	2,361,745	35,603,148	6,070,323	3,704,273
Sept. 7,...	40,334,268	3,962,395	2,454,060	34,981,281	6,119,371	3,419,624
" 14,...	40,885,872	3,962,353	2,524,005	35,039,636	6,071,768	3,047,313
" 21,...	42,404,383	3,961,342	2,574,571	35,913,425	6,031,204	3,081,281
" 27,...	41,839,955	3,960,464	2,610,809	34,888,109	6,121,101	3,057,381
Oct. 3,...	41,152,335	3,910,436	2,626,884	34,649,193	6,351,204	3,158,271
" 10,...	40,541,371	3,940,409	2,603,851	34,968,886	6,336,490	3,268,360
" 17,...	40,867,864	3,940,841	2,581,607	35,559,796	6,745,828	3,126,082
" 20,...	41,105,615	3,663,670	2,554,604	37,102,885	6,582,950	3,302,433
" 27,...	41,598,194	3,496,143	2,519,385	37,425,689	6,469,666	3,554,675
Nov. 7,...	41,763,747	3,058,994	2,455,776	36,943,993	6,000,000	3,000,000
" 14,...	42,844,878	2,743,641	2,406,652	37,705,036	6,000,000	3,000,000
" 21,...	43,792,297	2,674,037	2,355,768	39,227,713	.....	.....
" 28,...	44,170,412	2,539,218	2,315,263	38,974,932	.....	.....
Dec. 5,...	44,810,135	2,473,419	2,321,109	38,462 084	.....	.....
" 12,...	45,336,381	1,983,502	2,356,673	39,622,645	.....	.....

BOSTON BANKS.

Boston Banks. (*Capital, Jan.*, 1863, $38,231,700; *Jan.*, 1862, $38,231,700.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Jan. 4,..	$76,805,343	$7,503,889	$9,625,043	$32,525,679	$12,831,000	$12,351,500
" 11,..	77,747,784	7,531,195	10,185,615	31,524,185	12,703,600	11,019,000
" 18,..	75,877,427	7,464,511	9,963,389	31,151,240	12,041,000	11,769,000
" 25,..	74,146,000	7,440,000	9,729,000	30,893,000	11,106,700	12,227,000
Feb 1,..	73,959,175	7,385,413	9,660,163	30,655,782	10,825,000	11,854,500
" 8,..	71,765,122	7,265,104	9,579,020	30,030,292	11,315,000	12,272,000
" 15,..	71,088,849	7,224,924	9,741,471	30,412,647	11,615,000	13,448,000
" 22,..	71,074,000	7,215,500	9,411,000	31,831,000	11,329,600	14,925,404
" 29,..	72,189,003	7,179,310	9,371,440	33,155,888	12,224,603	16,189,720
Mar. 7,..	72,687,363	7,108,519	9,606,318	33,688,017	12,313,829	16,535,992
" 14,..	72,105,111	7,052,181	9,490,311	33,891,204	12,704,181	17,315,231
" 21,..	73,207,121	7,033,721	9,548,211	35,090,181	13,092,531	17,266,741
" 28,..	73,485,514	7,016,086	9,210,096	34,859,508	13,352,706	17,071,731
April 4,..	71,838,506	6,856,708	9,442,082	32,861,609	13,601,005	15,786,092
" 11,..	72,620,348	6,932,192	10,447,916	33,324,978	15,094,360	17,362,371
" 18,..	72,328,896	6,869,726	10,331,806	33,510,054	14,947,997	17,054,244
" 25,..	72,538,611	6,952,498	10,938,991	31,810,971	14,715,981	15,790,498
May 2,..	71,270,181	6,642,798	10,127,097	31,461,499	14,206,581	14,206,592
" 9,..	69,471,481	6,716,484	10,521,591	31,172,584	12,801,000	16,239,000
" 16,..	68,888,581	6,644,493	10,126,473	31,633,071	12,500,671	16,201,083
" 23,..	66,683,510	6,573,181	9,899,193	36,605,131	11,871,719	15,733,691
" 30,..	69,201,301	6,541,201	9,681,204	34,391,208	11,101,307	15,925,201
June 7,..	67,093,500	6,509,181	9,160,621	32,771,821	10,875,181	16,130,720
" 14,..	67,942,400	6,524,207	8,771,181	33,305,220	10,710,089	15,057,131
" 21,..	68,880,121	6,507,021	8,983,121	32,740,201	11,681,602	14,790,012
" 28,..	69,691,000	6,470,600	9,068,712	30,865,101	12,260,080	12,872,111
July 5,..	66,950,111	6,290,521	9,574,009	29,940,102	11,880,312	13,809,002
" 12,..	66,452,107	6,301,101	9,936,491	32,260,004	11,806,002	13,434,528
" 19,..	66,079,000	6,246,211	9,890,081	30,584,101	10,003,181	13,942,001

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
" 26,..	59,973,511	5,733,010	9,775,481	27,905,491	9,151,111	13,473,621
Aug 2,..	59,760,398	5,729,431	9,327,101	27,866,201	8,947,021	13,039,587
" 9,..	60,655,181	5,734,101	9,685,671	27,806,030	9,842,621	13,261,654
" 16,..	61,175,211	5,665,981	9,538,841	27,778,831	9,855,921	12,798,821
" 23,..	61,817,002	5,660,911	9,567,921	27,221,781	10,052,871	12,007,481
" 30,..	61,960,481	5,681,871	9,630,000	26,495,100	10,110,000	11,618,981
Sept. 6,..	62,211,931	5,744,898	10,100,400	25,884,487	10,535,000	11,526,011
" 13,..	61,818,600	5,769,038	10,274,852	25,015,230	10,152,979	11,142,930
" 20,..	61,863,582	5,820,671	10,420,810	24,722,891	10,530,000	11,287,080
" 27,..	58,352,671	5,637,921	10,280,431	23,582,981	10,958,781	10,197,691
Oct. 4,..	58,391,621	5,539,000	10,316,991	24,384,581	9,664,481	11,476,581
" 11,..	57,719,911	5,391,101	10,304,857	23,918,381	7,784,451	10,017,792
" 18,..	55,734,921	6,361,581	8,998,181	24,018,572	7,827,911	9,879,721
" 25,..	56,030,000	5,307,481	9,619,682	24,500,689	9,934,311	7,901,421
" 31,..	53,485,492	5,225,591	9,197,471	24,009,531	7,647,421	8,669,439
Nov. 8,..	50,865,491	4,967,781	9,000,000	21,384,001	6,893,910	8,167,892
" 15,..	50,488,921	4,787,182	9,046,931	22,023,478	6,785,521	8,731,799
" 22,..	44,236,000	4,429,700	9,058,381	20,219,421	5,375,581	8,889,421
" 28,..	44,236,311	4,429,821	9,058,101	20,219,491	5,375,582	8,889,421
Dec. 5,..	43,614,928	4,094,672	8,480,921	21,129,421	5,289,121	10,109,591
" 12,..	44,190,581	3,353,121	8,190,231	22,572,481	5,395,821	11,640,481

The returns of the Banks of Massachusetts for the four weeks to October 1st, compared with two previous returns, were as follows:

	Loans.	Specie.	Circulation.	Deposits.	Balances.
July 1....	56,628,876	1,348,876	21,694,366	13,141,787	5,427,595
Aug. 1....	56,487,727	1,298,756	21,743,761	12,585,810	5,184,681
Oct. 1....	53,472,826	1,309,665	22,221,063	12,157,216	6,389,285
Dec. 5....	51,839,762	1,114,728	21,488,266	12,164,096	5,480,362

The following statement of the condition of the Banks of Rhode Island is taken from the returns made to the State Auditor on the 5th inst.:

Capital	$21,310,319
Circulation	6,760,540
Specie	456,571
Loans	32,839,770
Deposits	7,008,784

The following is a comparison of the leading items of the Banks of Ohio, as appeared by their returns made on the 1st of November, in the years indicated:

	1864. Nov. 1.	1863. Nov. 1.	1862. Nov. 1.	1861. Nov. 1.
Stock	$4,408,820	$5,052,940	$5,539,950	$5,690,450
Specie	1,180,802	1,828,591	3,370,131	3,047,251
Loans	9,426,994	11,366,451	11,295,987	10,750,862
Circulation	5,116,471	6,652,311	10,033,326	9,522,493
Deposits	11,115,818	11,405,439	9,814,009	5,664,292

The December statement of the Banks of Wisconsin compare with the returns of the previous month as follows:

	Nov. 1.	Dec. 1.
Circulation of Banks	$2,552,780	$2,607,894
Circulation of Banks winding up	89,356	83,478
Total circulation	$2,642,136	$2,691,372
United States and State securities	2,511,880	2,641,480
Treasury notes on hand	178,661	102,905
Specie	11,811	10,762

In the first week of November, the favorable state of the exchanges which had been developing itself since the rise in rate of interest to 9 per cent, Sept. 8, was so far advanced that the Bank of England felt justified in reducing its rate to 8 per cent, notwithstanding that some considerable failures in France, and symptoms of weakness elsewhere, suggested caution. The export demand for bullion had, however, closed, and speculation had subsided in face of the accumulating stocks of goods and produce in bond, caused by the dearness of money and the idea that the dearness would result in lower prices. The higher rate had caused a large number of liabilities to be settled, and had attracted money from abroad. The impulse once given in that direction, the accumulation of means was continuous.

On the 23d of November the bullion had increased $5,000,000, and the Bank made a farther reduction of the rate of interest to 7 per cent.

The returning ease of money was, however, already producing a reaction in the current. Several new loans were announced—an Egyptian loan and a Danubian loan—the latter for $5,000,000 at 86 for 7 per cent interest; also, a Danish loan of $4,000,000 5 per cent at 94¼. These, with the movements of trade, caused a renewed export of bullion.

The Bank returns were as follows:

THE BANK OF ENGLAND RETURNS.

Date.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 2,...	21,685,732	7,284,894	12,924,545	31,980,889	13,048,475	8 per ct.
" 9,...	20,801,207	8,629,856	12,981,276	32,622,659	13,008,617	8 "
" 16,...	20,382,764	9,103,738	13,265,068	32,803,049	13,675,474	7 "
" 23,...	20,273,799	10,266,546	12,711,637	32,270,286	14,217,067	7 "
" 30,...	20,686,538	10,841,991	13,021,212	33,438,154	14,862,605	7 "
Jan. 6, '64	21,822,304	10,001,982	13,052,604	33,486,952	14,196,754	7 "
" 13,...	21,396,420	5,264,097	15,411,794	31,726,575	11,708,597	7 "
" 20,...	21,445,793	5,689,074	13,879,877	31,445,860	12,974,109	8 "
" 27,...	20,875,825	6,337,246	13,406,627	31,017,449	13,022,220	8 "
Feb. 3,...	21,162,626	6,748,867	13,372,981	31,486,334	13,303,243	8 "
" 10,...	20,708,113	7,254,682	12,882,226	36,923,317	13,472,271	7 "
" 17,...	20,696,172	7,079,789	13,306,156	31,078,328	13,583,635	7 "
" 24,...	20,207,871	8,153,601	12,426,673	30,504,827	13,819,412	6 "
March 2,...	20,840,374	7,893,633	13,541,278	31,980,446	14,084,222	6 "
" 9,...	20,563,325	8,863,364	12,434,975	31,769,311	13,884,389	6 "
" 16,...	20,333,112	8,570,711	13,105,800	31,929,164	13,946,943	6 "
" 23,...	20,366,705	9,841,323	12,480,154	32,112,543	14,499,201	6 "
" 30,...	20,908,644	10,280,458	12,658,986	33,472,484	14,163,519	6 "
April 6,...	21,528,914	9,818,680	13,348,299	34,223,509	13,616,762	6 "
" 12,...	21,785,597	5,929,922	13,586,029	31,385,305	13,080,300	6 "
" 20,...	21,672,783	5,787,329	13,684,069	31,596,179	12,743,302	7 "
" 27,...	21,484,602	6,217,965	12,620,036	30,961,685	12,567,776	7 "
May 4,...	22,045,792	6,981,132	12,278,903	32,070,427	12,454,244	9 "
" 11,...	21,478,987	7,299,434	12,901,160	32,239,210	12,705,251	9 "
" 18,...	21,313,352	7,568,661	12,962,402	31,855,696	13,267,416	8 "
" 25,...	20,868,047	7,971,003	12,882,042	31,297,181	13,713,943	7 "
June 1....	21,246,840	8,286,719	12,493,776	31,329,121	14,052,761	7 "
" 8,...	20,766,405	8,748,510	11,966,204	30,711,740	14,043,129	7 "
" 15,...	20,597,557	8,512,311	12,790,361	30,884,192	14,304,205	6 "
" 22,...	20,623,207	9,287,594	13,051,661	31,948,856	14,319,061	6 "
" 29,...	21,153,606	10,213,535	12,890,244	33,297,897	14,197,849	6 "
July 6,...	21,890,063	9,489,130	13,471,415	34,286,592	13,930,809	6 "
" 13,...	22,161,001	4,683,803	15,082,746	31,637,509	13,701,112	6 "

"	20,...	22,302,688	4,462,490	13,408,675	30,471,085	13,171,561	6 "
"	27,...	22,156,547	4,961,046	13,719,621	31,346,657	12,996,685	8 "
Aug.	3,...	22,489,710	5,155,704	13,519,626	31,909,793	12,877,483	8 "
"	10,...	21,881,314	4,963,223	14,419,766	32,202,646	12,609,925	8 "
"	17,...	21,554,139	5,145,800	13,950,446	31,594,936	12,725,759	8 "
"	24,...	21,047,048	5,288,725	13,714,161	30,861,710	12,831,751	8 "
"	31,...	21,289,324	5,815,742	13,073,751	31,058,841	12,980,033	8 "
Sept.	7,...	21,867,124	6,022,378	12,904,085	31,202,405	12,970,447	9 "
"	14,...	20,960,414	6,702,054	12,723,620	31,381,674	12,905,511	9 "
"	21,...	20,842,714	6,815,611	12,390,681	30,795,458	13,171,107	9 "
"	28,...	20,751,741	7,083,958	12,588,902	31,298,584	13,121,123	9 "
Oct.	5,...	21,915,817	6,877,591	11,781,746	31,530,895	12,998,210	9 "
"	12,...	21,774,334	7,028,234	13,206,313	32,192,227	13,606,293	9 "
"	19,...	21,828,920	3,273,589	14,098,454	29,447,960	13,002,488	9 "
"	27, ..	21,525,745	3,723,549	13,897,777	29,274,958	13,146,009	9 "
Nov.	2,...	21,596,300	3,777,941	13,848,428	29,181,019	13,313,441	9 "
"	9,...	20,919,333	4,560,836	14,438,450	29,575,836	13,647,270	8 "
"	16,...	20,750,500	5,142,368	14,426,234	29,776,788	13,852,855	8 "
"	23,...	20,120,567	5,518,860	14,358,521	29,184,949	14,131,094	7 "
"	30,...	20,331,055	6,301,202	13,272,161	29,200,705	13,989,924	7 "

The returns of the Bank of France show a more prompt action of a high rate of money upon the influx of coin, which rose from 250,423,737f., October 20, when the rate was put up to 8 per cent, to 308,621,518f., or by 58,000,000f. to November 23, when the rate was put down to 6 per cent; and, in the last week of November, to 5 per cent. The returns were as follows:

BANK OF FRANCE.

	Loans.	Specie.	Circulation.	Deposits.	Interest.
January	—fr.751,649,983	fr.169,027,010	fr.813,490,825	fr.159,797,667	7
February	— 705,516,796	182,573,888	775,096,775	160,110,225	7
March	— 642,135,993	195,994,738	746,610,375	142,925,719	6
April	— 643,570,276	219,320,720	759,926,425	133,701,530	6
May	— 683,332,517	242,824,609	767,443,475	178,434,305	6
June	— 577,309,524	294,892,295	725,381,925	156,685,209	6
"	23, 594,563,973	280,511,406	720,243,375	144,559,768	6
"	30, 676,605,538	277,544,816	766,609,875	165,668,712	6
July	7, 662,197,524	276,522,727	772,309,475	170,022,200	6
"	14, 667,187,446	266,890,961	792,819,275	152,242,482	6
"	21, 639,299,542	269,810,253	788,378,725	135,282,170	6
"	28, 642,692,154	276,162,420	791,673,525	144,636,985	6
August	4, 634,904,899	276,790,393	786,629,625	157,810,891	6
"	11, 633,495,575	272,433,487	777,023,925	148,866,812	6
"	18, 627,110,297	276,200,183	769,096,425	139,746,017	6
"	25, 615,885,942	280,595,089	767,100,725	130,431,547	6
September	1, 618,948,683	279,353,778	767,763,725	141,075,120	6
"	8, 618,030,503	281,021,082	752,214,625	137,349,361	7
"	15, 633,405,806	273,371,823	761,638,225	130,975,227	7
"	22, 585,624,962	276,644,874	732,775,425	110,529,671	7
"	29, 608,645,155	279,039,471	739,183,625	122,373,527	7
October	6, 606,581,148	267,533,219	751,377,975	128,769,575	7
"	13, 619,256,344	250,423,737	754,479,725	120,525,826	8
"	20, 621,458,240	254,073,596	761,296,775	123,847,672	8
"	27, 591,882,251	272,826,218	740,767,475	124,872,300	8
Nov.	5, 619,601,399	274,145,142	749,664,075	156,717,974	7
"	10, 612,218,482	276,575,577	745,249,825	153,336,313	7
"	17, 592,319,529	284,276,966	733,661,325	148,945,706	7
"	24, 571,509,684	308,621,518	732,482,125	146,273,755	6
Dec.	1, 564,370,793	327,718,612	742,316,325	158,317,239	5

This was due partly to the revival of the old system of purchases of the precious metals, and partly to the rigor which the Bank exercised towards bills which there was reason to believe would occasion a drain of coin. So great was this rigor that the discounts are 57,810,000f less than they were Oct. 20. As to the note circulation, it declined 30,000,000f. These reductions were not made without great distress, and consequent complaint. The principal disasters was the failure of ROTCHMONT DE LOWENBERG. He was at the head of a banking firm of long standing and considerable importance. His liabilities are stated at from 15,000,000f to 18,000,000f, (3 to 4 million dollars)—but it is said that there are large assets, though they cannot be immediately realised. It appears that he became embarrased principally on account of his connection with the Libourne to Bergerac Railway, of which he was one of the chief promoters. One or two banks with which he was much connected were, in consequence of his failure, under the necessity of obtaining aid, and fears were entertained that they may, in spite of it, be obliged to close their doors. Unfavorable reports respecting other banks and some few commercial firms were current, and at Bordeaux and Lyons failures are apprehended. None of the Paris Banks, however, failed, but confidence in them was not strong. It said, also, that certain Russian houses suffered greatly. The actual suspensions were :—1, a commission agent at Paris in an extensive way of business ; 2, two houses at Lyons, one of them engaged largely in the silk trade ; 3, two shipping firms ar Bordeaux, one a large one ; and fourthly, the bills of "several" cotton dealers at Havre were protested. The amount of the liabilities in the various failures recorded is loosely estimated at from 20,000,000f to 25,000,000f. (£800,000 to £1,000,000).

The dearness of the money market, and the fact that the Bank of France alone has the right to raise the rate of interest at will, caused much discussion. The government, before presenting to the Corps Legislatif a bill for the abolition of the Usury Laws, thought right to consult the Chamber of Commerce. Most of them declared energetically in favor of "liberty of interest ;" but the Chamber of Commerce of Rouen is of a different opinion. As organ of the very Protectionist city, it thinks the restriction by law of the rate of interest wise and just, and demands its maintenance. It, besides, complains that the Bank of France is, by special privilege, allowed to charge more than the legal rate whenever it pleases—certainly a special privilege that is open to remark. The Chamber of Commerce of Rouen, moreover, demands energetically that "the Bank of France shall be made to do what it was founded for—discount commercial bills at the most moderate interest possible," and that "the government shall take measures for providing the Bank with the necessary means of attaining that object." But the Bank already does the former, and it cannot do otherwise if it would ; whilst, as to the government, it has no power whatever in the matter.

THE RECIPROCITY TREATY.

THE PRESENT TREATY SHOULD BE CONTINUED UNTIL A NEW TREATY IS MADE.

THE subject of our commercial relations with Canada, which has been so much discussed the past year, is likely to receive increased attention at the present session of Congress. What has been already said has accomplished much, since thus the public mind has been enabled to reach certain definite conclusions.

In the first place, it seems now to be the universal sentiment of thoughtful men that our interests lie in future freedom of commercial intercourse, not in additional restrictions. The action of every Board of Trade we have seen, has been to this effect. Trade must be free, or as nearly so as possible. Again, all agree that our existing Treaty must be continued until a new one is made. There may be, and undoubtedly are imperfections in it; but at the same time great benefits are accruing, especially to the West, from its operation.

The following letter shows what has recently been the action of the Board of Trade of Detroit, and of some other similar bodies:

DETROIT, Dec. 9th, 1864.

W. B. DANA:

DEAR SIR,—Be kind enough to chronicle in your valuable journal the fact that our Board of Trade has, after mature consideration and full discussion, declared unanimously in favor of allowing the present Reciprocity Treaty to stand until another Treaty shall have been negotiated by Commissioners to be appointed by the high contracting parties. This action, on the part of our Board, is significant of the friendship that every philanthrophist and enlightened lover of his country so ardently desires to see obtain between us and foreign powers, and especially between us and our British neighbors; there being so much that should knit us together in the closest ties of brotherhood. Besides, this action makes the decision of the agricultural and commercial interests of the North West almost unanimous in favor of the continuance of the Treaty—a decision that will continue to be favorably regarded by the government of the United States. By thus promoting the interests of this growing section of our common country, the interests of the whole, to which the West is so largely tributary, will be best served. In addition to the action of our Board of Trade above refered to, I give below the action of several other similiar bodies:

MICHIGAN.

Detroit Board of Trade, December 7, says:—"The only action necessary, on the part of our government, is to allow the present treaty to stand until commissioners appointed by it, and the British Colonies of North America, agree on whatever alterations may be deemed advisable and mutually just and beneficial."

ILLINOIS.

Chicago Board of Trade, February 10, 1862, states that the "treaty has been of great value to the producing interest of the whole North West." Says that "we should not check the energy nor circumscribe the industry of our country, but take a broad national view of the question, and firmly advocate the principle of the greatest good to the greatest number. Cannot recommend any measure that will in the least cripple the energies of our people, but cheerfully advocate the revision of the treaty, if any of its parts are unjust or oppressive. What we

desire is to make our trade still more reciprocal, still more free with our Canadian neighbors."

WISCONSIN.

Chamber of Commerce at Milwaukee, January 13, 1864, desires "such action as shall result in securing a new treaty, founded upon the true principles of reciprocity between the two governments and the people of both countries, and which shall obviate the objections and inequalities existing in the present treaty, and be upon a more liberal and enlarged basis."

MINNESOTA.

Memorial of the Chamber of Commerce at St. Paul, referred to the Committee on Commerce, February 5, 1862, invokes the "sober second thought" of the country on the subject of our continental policy; reiterates the "uniform utterance of the authorities and citizens of Minnesota in anticipating an adjustment of the relations of the United States and all the British provinces on this continent, upon a basis of mutual interest and good will; does not deny the expediency of a revision of exisiting stipulations, but always in the interest of further freedom, not additional restriction of commercial intercourse."

MASSACHUSETTS.

Boston Board of Trade, March 8, 1864, "resolved, that the continuance of the Reciprocity Treaty of 1854, between the United States and Great Britain, as the same may be revised in certain particulars by commissioners of the two high contracting powers, is of great moment to both countries, and is demanded by the principles of human brotherhood, as well as by the interests of American commerce."

From these several expressions of sentiment, touching our commercial relations with our neighbors, we look for an amended treaty that shall correct any imperfections that time has shown to exist in the present treaty, and at the same time secure and extend the real benefits that have already accrued to both countries under the existing treaty.

The action of the Board of Trade of Detroit, above referred to, took place on the 7th of December. A committee had previously been appointed which presented the following report. We give this report entire because it clearly and forcibly expresses the views of a large body of men in the West. The whole report was not adopted by the Board, but its conclusion was—some of the members not wishing to commit themselves to all the points discussed in it:

DETROIT, Dec. 6, 1864.

To the Honorable the Board of Trade of the City of Detroit:

On the 7th of June last, we, the undersigned, were appointed a committee to report to your honorable body, on the second Tuesday of December, what action, if any, in the opinion of this Board is needed, on the part of our Government, with regard to the abrogation of the Reciprocity Treaty, now existing between the United States and the British North American Colonies.

Your committee would beg respectfully to report as follows:—We find that both the Government of the United States and the Government of Canada have given this grave and important question much and careful consideration, and an examination of the facts and figures presented in their various reports has enabled us to arrive at the following conclusions:

From the year ending June 30th 1821, to June 30th, 1863, the total exports to Canada and the other British American Provinces were $422,443,981; the total imports for the same time were $260,327,900—making a balance in favor of the United States of $162,116,081. With men acquainted with commercial matters, no further argument is needed to prove that the trade with Canada and

the other British possessions of North America has been of vast advantage to the people of the United States. This seems so clear and conclusive that we consider it unnecessary to add anything to the force of the figures presented; to do so would be a waste of time.

We find the principal argument in favor of an abrogation of the treaty to be the fact, that since the treaty went into effect, the Parliament of Canada has largely increased the duties on manufactured articles produced by us, causing a large decrease in the demand for such articles, and consequently acting injuriously upon our interests. We say this is no valid objection, as these duties do not touch one single article named in the treaty; and further, no one claims that any infringement of the treaty has taken place. On the contrary, it is admitted on all hands that both parties have been scrupulously exact in the observance of its terms, in spirit and in letter.

The Government of Canada increased the duties on imports, not because it desired to inflict any injury on the people of the United States, or their commerce, but because this measure had become a matter of necessity, in order to sustain the public credit and meet the public expenses. If increasing the duties on imports, under these circumstances, be a just matter of complaint against the Government of Canada, then, every nation with whom we have treaties of commerce has a much more just cause of complaint against ourselves, as our national necessities have compelled us to raise the duties on articles coming into the United States, far beyond anything contemplated by the Legislature of Canada. We take the ground that the governments of the two countries are the sole judges of what is best to be done in the way of taxation in their respective countries, and when, as in the present case no treaty is infringed, no other nation has a right to consider itself aggrieved.

The second argument used is, that the people of Canada and the British Isles have no sympathy with us in our present struggle; that on the other hand, all their best wishes and feelings are with our enemies. This view of the case is largely dwelt upon to create a prejudice against the treaty. We consider this no kind of argument, as it has nothing to do with the subject under discussion; and it is not in keeping with the dignity of a great and powerful nation like the United States, to allow itself to be betrayed into hasty and ill-advised acts of legislation, because a portion of the inhabitants of certain countries do not like us. This is not a question of likes or dislikes, it is a question of trade and commerce, affecting the well-being of 70,000,000 of people. If there has been any infringement of our rights on land or water we submit, that, repealing the reciprocity treaty is not the proper redress for wrongs done us. Let the Government of the country, when the proper time comes, present its case in the right quarter, in a becoming and statesmanlike manner, and insist on such redress as is just and reasonable. Let our commercial treaties, and our quarrels, each stand or fall on their own merits.

It is further argued that our lumber interests suffer by the competition of the Canadian lumber merchants. We consider this a most wholesome as well as needful competition. It is well known that the pineries of the great West are being rapidly taken up by large capitalists, and that in a few years monopolists will hold the most of these lands; this result will leave the consumer at the mercy of these great land holders, who would then control the price of lumber and put it to such a rate as would greatly retard the building and improving of our cities, towns and villiages, and weigh heavily upon our farming interests. We therefore consider it a great and fortunate thing for the people of the great West that we have the privilege of the Canadian lumber market to keep in check the desire of our own dealers in that article, to raise it to an unreasonable price. Cheap lumber is a commodity of indispensable necessity with us.

Coal is covered by the same argument as lumber. Coal masters are combining all over the land to raise and keep up the price of fuel, and we are only sorry that Novia Scotia does not export to the cities of our Atlantic seaboard twenty times more coal than she does; because, if she did, we would have a much larger

and cheaper supply at the West. The interest of the manufacturer, the wants of the poor, the requirements of our vast steam marine on the western lakes, as well as on the seaboard, demand cheap fuel, and no monopoly in either lumber or coal. We trust the time is gone by when those who earn a living by the sweat of their brow can be made the mere tools of those who get rich by improper acts of Congress. In helping us to fuel and lumber at a reasonable price, the treaty is a real blessing.

Touching the fisheries, although they have not been near so profitable to us as was anticipated, the settlement of a question that was rapidly drifting the two countries into an attitude hostile to each other, was a boon so great to both parties that, had the treaty affected nothing else, it would have been worth all the advantages its enemies claim we have given to Canada.

In whatever light we view the treaty, it has been of vast importance to us, as well as to the colonies. It has been what all treaties should be, a mutual benefit, conferring on both contracting parties, advantages as nearly equal as possible.

We now come to breadstuffs. It is claimed by those opposed to the treaty, that this portion of it affords great and improper advantages to the Canadians. We claim the advantages are on the side of the United States, and not of Canada. Instead of being injured by the importation of Canadian grains, we are largely benefited. We will try and prove this, and we think the proof is conclusive. In 1863 we imported at Detroit 300,000 bushels of Canadian white wheat, on which Americans received the following sums, for labor, freight, insurance, elevating charges, and commission:

Elevating and shipping charge on 300,000 bushels, 2c	$6,000 00
Fire insurance on value here $450.00, ¼c	1,125 00
Freight to Buffalo on 300,000 bus., 6c	18,000 00
Transfer at Buffalo, 1c	3,000 00
Canal freight to New York, 20c	60,000 00
Measuring at New York, 1c	5,000 00
Commission on value at New York, at $1.90 per bushel, $484,250, 2½ per cent	14,250 00
Lake insurance on $584,250 at ¼ per cent premium	2,921 25
Total charge paid Americans	$108,296 25

With the revenue law, as it stands at present, the Government would have received directly, as its portion of the benefit, the following sums:

On canal and lake freight $78,000 at 2½ per cent	$1,950 00
On gross sales $584,250 at ¼ of 1 per cent	730 30
On stamps for time drafts for $400,000 at 50c. per 1,000	200 00
Assuming that all parties interested netted the moderate sum of $10,000 on this property, it added just that amount to the nett income of the various parties interested, so that with a five per cent income tax, the Government would get another sum out of the transaction of	500 00
Amount paid the Treasury	$3,380 30

Here we have a sum of $111,676 55 paid to the Government and people on one lot of 300,000 bushels of white wheat. Every transaction of the same nature resulted more or less in the same way. It will take a great deal of argument, prejudice and sophistry, to prove that the United States were deeply wronged by the above and kindred transactions. The opponents of the treaty say that this wheat would have come in under a twenty per cent *ad valorum* duty, and that we should have had all these profits and the duty besides. To this we reply:—We would not have received one single bushel of the wheat with a twenty per cent duty, for the simple reason, that the amount of this tax would have paid the freight charges, insurance and commission from the point, or way port from which the grain started in Canada, to Montreal, where it would have sold for a

larger sum than it would have done at Detroit. As all merchants sell in the market that will yield them the largest net profits on a given article, it is easy to see that Montreal, and not Detroit, would have drawn this grain into its port, and that neither the people nor the Government of the United States would have received a single dollar out of the transaction.

It may be deemed policy, it may be considered statesmanship, it may gratify a spirit of revenge for wrongs, fancied or real, to destroy this trade that so largely benefits the citizens of the United States. Your committee think otherwise; such conduct could only be expected of Chinese, Japanese, and other semi-barbarous nations, who are in the habit of erecting barriers to hinder commerce; when they overdo the thing and get their barriers a little too much in the way. Christian England, France and the United States send fleets and batter down all obstructions, destroy forts, burn cities, sink shipping, and do many other things that only strong christian nations can do, to teach weak heathen nations proper respect for civilized ideas of free trade; and yet we can be so inconsistent as to do ourselves what we so strongly condemn in others.

Our commission merchants complain that a vast quantity of flour is now purchased in Toronto by parties who used to make their purchases in Detroit, and claim that the treaty ought to be repealed on that account. To say the least, this complaint is rather selfish and ungenerous; for the plain English of the desire is to get a law passed by Congress that will compel the New England consumer to purchase his flour in Detroit, whether it is to his interest to do so or not. A better and more natural way would be for our merchants to offer our New England friends flour at fair rates, instead of holding it from one to two dollars per barrel above all other markets, as they have generally done for the past few years, and by this cause have driven the flour trade that used to center here, to Toronto, Chicago, Milwaukee and Toledo. A spirit at utter variance with the ordinary rules of trade has lost us this business, and nothing else. Neighboring cities with more spirit and liberality, are fast stripping us of even the home trade; for the same reason, Chicago and Cleveland are fast leaving us behind in the race for the Lake Superior trade, simply because the consumer in that region can trade with more advantage with them than with us; and it would be just as reasonable to ask Congress to stop this trade as to ask a repeal of the Reciprocity Treaty, to prevent the New Englander from purchasing his flour in Toronto.

Canada, and the Northwestern States, have always a surplus of breadstuffs, and both must look abroad for a market for what they cannot consume themselves, and both look to the same market. It therefore follows, that Canada can send to Liverpool just the amount less she has sent to New England. If she sent none of her supplies to the United States, she would have to send the whole of it to the markets abroad, where our own supplies would come into competition with it; this being the case, it appears to us a matter of no moment whether the ground on which we compete is Boston or Liverpool, for every merchant knows that the foreign, and not the home market, governs the price.

The next complaint against the treaty is, that it fosters and sustains rival transportation interests through a foreign country. This is the most groundless complaint of all. There is not one single merchant in the Northwest but knows that the facilities to transport the produce of this region to the sea-board, through American territory, is utterly inadequate to the task—that, in the busy season of the year, freights are so crowded on the American lines, that the cost of transportation is largely increased, and delays so numerous, that the mercantile and farming interests suffer great damage from these two causes. We do not use more severe language than is called for, when we state that members of Congress and others, who make this complaint, show an amount of ignorance on the subject that can hardly be explained or excused. The only real ground of complaint your committee can make clear is, that the Grand Trunk Railway (one of the rival lines), has not increased its rolling stock to a point where it could carry off an average of at least 10,000 barrels of flour per day from Detroit, instead

of the present small and insignificant amount it can transport. If it could do this, it would add five cents per bushel to the value of all the wheat grown in Michigan, for the reason that its increased facilities would reduce the cost of conveying a barrel of flour from this point to the seaboard at least twenty-five cents per barrel. In other words, the saving yearly, for all time to come, would be almost equal to the original cost of the land on which the wheat was produced.

Your committee have only touched briefly on some of the more important points of the treaty. It is needless for us to add, that we are, and think your honorable body should be, opposed to a repeal of the Reciprocity Treaty. We condemn in the most earnest and unqualified terms possible, all legislation, that has for its object the placing of the producer and consumer within the grasp of the monopolists who try on this particular subject to control the action of Congress.

Finally, we would respectfully report that, in the opinion of your committee, the only action necessary on the part of our Government is, to allow the present treaty to stand, until commissioners appointed by it, and the British Colonies of North America, agree on whatever alterations may be deemed advisible and mutually just and beneficial.

In modifying the treaty, we would respectfully suggest that our Government endeavor to have the Government of Canada enlarge the locks of the Welland Canal to the same length and breadth of the St. Lawrence Canals; and that, within a given number of years, (say five years) from the ratification of the amended treaty, that the Canadian Government guarantee a depth of 12 feet 6 inches of water fit for navigation from the entrance of the Welland Canal at Port Colborne to Montreal; as also the enlargement of the locks above named; for which great and important benefit to us, the new treaty be made for twenty-five years, so as to give stability to the trade between the two countries, and take away all cause for mutual irritation, and put it beyond the hope or power of scheming monopolists on either side to disturb the harmony of the two countries by acts of unfriendly legislation,

We would also suggest that the revenue laws of Canada be so amended, that goods purchased in the original package in the United States be admitted to Canada on the same terms as if the same class of goods had entered by sea; and that our Government give the same advantage to goods in the original package from Canada.

We are also of the opinion that the law that authorizes the Governor General to discriminate in favor of certain railroad routes be repealed. As the law now stands, he can issue an order to admit goods *via* Portland, by the Grand Trunk Railroad, at the value at the port of exportation; whereas, the same goods entering from any other of our seaport cities, would be liable to the value at that point of departure. Exceptional laws of this kind must always produce irritation in the minds of those injured by them; and no one, either in Canada or the United States, can look upon such enactments in any point of view except that of being most unfriendly acts.

To remedy such evils, and strengthen the bonds of friendship between the two countries, we respectfully recommend the line of policy indicated in this report.

DUNCAN STEWART, Chairman of Committee,
W. H. CRAIG,
R. HAWLEY,
AUG. E. BISSELL,
F. LAMBIE.

THE NAVAL FORCES OF THE UNITED STATES.

THE subjoined statements, which we take from the Report of the Secretary of the Navy, presents a general exhibit of the navy, including vessels under construction on the 1st of December, 1864, with a comparative statement of the navy in December, 1863 and 1864.

A tabular statement is appended of the number of naval vessels, of every class, that have been constructed, or in the course of construction, since March 4, 1861.

GENERAL EXHIBIT OF THE NAVY, INCLUDING VESSELS UNDER CONSTRUCTION, DEC., 1864.

No. of Vessels.	Description.	No. of guns.	No. of tons.
113	Screw steamers especially constructed for naval purposes.	1,426	169,231
52	Paddle-wheel steamers especially constructed for naval purposes	524	51,878
71	Iron-clad vessels	275	80,596
149	Screw steamers purchased, captured, &c., fitted for naval purposes	614	60,380
174	Paddle-wheel steamers purchased, captured, &c., fitted for naval purposes	921	78,762
112	Sailing vessels of all classes	850	69,549
671	Total	4,610	510,396

COMPARATIVE STATEMENT OF THE NAVY, DECEMBER, 1863 AND 1864.

No. of Vessels.	Description.	No. of guns.	No. of tons.
671	Total Navy, December, 1864	4,610	510,396
588	Total Navy, December, 1863	4,443	467,967
83	Actual increase for the year	167	42,429
26	Total losses by shipwreck, in battle, capture, &c., during the year	146	13,084
109	Actual addition to the Navy from December, 1863, to December, 1864	313	55,513

The following tabular statement exhibits the number and description of vessels that have been constructed, or put in the course of construction, for the navy, since the institution of active measures for the suppression of the rebellion. Some of them have been built by contract; others by the Government, in the several navy yards. If we add to the number those constructed under similar circumstances, and within the same period, that have been lost by shipwreck, in battle, &c., viz.: the sloops Housatonic and Adirondack, and the iron-clads Monitor, Weehauken, Keokuk, Indianola and Tecumseh, the aggregate would be 210 vessels, 1,675 guns, and 256,755 tons.

Picket-boats, and small craft built for especial purposes, are not embraced in this statement.

VESSELS CONSTRUCTED FOR THE NAVY SINCE MARCH 4, 1861.

No.	Description.	Guns.	Tonnage.
7	Screw sloops, Ammonoosuc class, 17 to 19 guns, 3,213 to 3,713 tons each	121	23,637
1	Screw sloop Idaho, 8 guns and 2,638 tons	8	2,638
8	Screw sloops, spar deck, Java class, 25 guns and 3,177 tons each	200	25,416
2	Screw sloops, spar deck, Hassalo class, 25 guns and 3,365 tons each	50	6,730

No.	Description.	Guns.	Tonnage.
10	Screw sloops, clippers, single deck, Contoocook class, 13 guns and 2,348 tons each	130	23,480
4	Screw sloops, Kearsarge class, 6 to 12 guns, and averaging 1,023 tons each	40	4,092
6	Screw sloops, Shenandoah class, 8 to 16 guns and 1,367 to 1,533 tons each	74	8,584
2	Screw sloops, Ossipee class, 10 to 13 guns and 1,240 tons each	23	2,480
8	Screw sloops, Serapis class, 12 guns and 1,380 tons each	96	11,040
4	Screw sloops, Resaca class, 8 guns and 831 to 900 tons each	32	3,462
8	Screw sloops, Nipsic class, 7 to 12 guns and 593 tons each	71	4,744
23	Screw gunboats, Unadilla class, 4 to 7 guns and 507 tons each	123	11,661
9	Screw tugs, Pinta class, 2 guns 350 tons each	18	3,150
2	Screw tugs, Pilgrim class, 2 guns and 170 tons each	4	340
13	Paddle-wheel steamers, double-enders, Octorara class, 7 to 11 guns, and 730 to 955 tons each	98	11,024
26	Paddle-wheel steamers, double-enders, Sassacus class, 10 to 14 guns and 974 tons each	272	25,324
7	Paddle-wheel steamers, of iron, double-enders, Mohongo class, 10 guns and 1,030 tons each	70	7,220
1	Paddle-wheel steamer, of iron, double-ender, Wateree, 12 guns and 974 tons	12	974
141	Total	1,442	175,986
	IRON-CLAD VESSELS.		
2	Sea-going casemated vessels, Dunderberg and New-Ironsides	28	8,576
3	Sea-going turret vessels, Puritan, Dictator and Roanoke	12	9,733
4	Double-turret vessels, Kalamazoo class, 4 guns and 3,200 tons each	16	12,800
4	Double-turret vessels, Monadnock class, 4 guns and 1,564 tons each	16	6,256
1	Double-turret vessel, Onondaga, 4 guns and 1,250 tons	4	1,250
4	Double turret vessels, Winnebago class, 4 guns and 970 tons each	16	3,880
8	Single-turret vessels, Canonicus class, 2 guns and 1,034 tons each	16	8,272
9	Single-turret vessels, Passaic class, 2 to 4 guns and 844 tons each	21	7,596
20	Single-turret vessels, Yazoo class, 1 to 2 guns and 614 tons each	35	12,280
2	Single-turret vessels, Sandusky and Marietta, 2 guns each	4	953
3	Single-turret vessels, Ozark, Neosho and Osage, 2 to 7 guns each	13	1,624
2	Casemated vessels, Tuscumbia and Chillicothe, 5 and 3 guns respectively	8	768
62		189	73,988
203	Total	1,631	249,974

CONSTRUCTION OF NAVAL VESSELS.

At the commencement of the rebellion the navy consisted of sailing vessels, a few paddle-wheel steamers, and screw vessels with auxiliary steam-power. Among the latter, the principal and most important were the steam frigates, which, on account of their great draught of water, were unsuitable for any other purpose than that of cruisers on foreign stations as flag-ships, for which indeed

they were intended. These vessels had been built to meet the conditions of the day; some of them, the Mississippi for instance, had been in service more than twenty years. When constructed, the principal object in view was armament, not speed, and they were equal, if not superior, to the vessels of other naval Powers. For attacks on forts, when accessible to naval attacks, or to protect trooys in landing, they can still render service. Time was required to repair and place in proper condition such of these vessels as were dismantled, and also those which were recalled from service abroad. The sailing men-of-war had become useless for fighting purposes. In the emergency that devolved upon it at the beginning of hostilities, the department resorted to the commercial marine, and purchased every available merchant steamer that could advantageously be converted into a naval vessel, and be used to enforce the blockade.

The want of a class of small, heavily armed, propeller vessels was felt, and the department immediately proceeded, on its own responsibility, and without any appropriation or authorization by Congress, to contract for the construction of twenty-three gunboats, of which the Unadilla, Pionola and Wissahickon may be taken as the type. Some of these vessels were afloat, armed and manned within four months from the date of contract, and participated in the attack on Port-Royal; others took part on the lower Mississippi, in passing the forts and in capturing New-Orleans. These gunboats continue to maintain a good reputation, and their steam machinery gives satisfaction. Well adapted as they are for guarding our coast, a larger description was needed for ocean service, and four vessels of the class of the Ossipee, mounting each two guns of eleven inches, were built. There were, also, four vessels of slightly less tonnage constructed, carrying the same armament, of which the Kearsarge is the type. The Shenandoah is the type of six vessels, mounting each three eleven-inch guns, all of which sustain a high reputation. The heavy guns mentioned constitute the principal armament of the several classes named, but they each have in addition from two to six guns of less calibre. All of these vessels are screw steamers, suitable for sea cruising: but for shallow sounds and bays, the rivers and bayous, often narrow and tortuous, another and different class, drawing less water, was found to be necessary, and for them competition was invited. To turn in these frequently restricted channels is difficult, sometimes impossible, and the necessities of the case suggested the principal of a fighting vessel with a double bow and rudder at each end. Twelve paddle-wheel steamers constructed on this principle were built, some in the navy-yards and others by contract. The Port-Royal and the Sonoma are types of this class. An additional number, amounting to twenty-seven, of these double-bowed paddle-wheel vessels have been built, almost all of them by contract. The Sassacus, which was distinguished in the attack on the rebel ram in Albemarle Sound, the Metacomet, conspicuous in Mobile Bay, and the Eutaw, are types of these vessels. Eight of this class are built or building of iron, and will have strength sufficient for sea service as well as for inland waters. One of them, the Wateree, sent round Cape Horn, reached San Francisco in September last, and is on duty in the Pacific.

In order to have armed vessels suitable for naval operations on the Mississippi and its tributaries, the Department invited plans and propositions from shipbuilders and others acquainted with those waters, and the vessels built on those rivers have been chiefly from the plans submitted by parties thus invited. Two of these vessels, built at St. Louis, participated in the action with the rebel ram Tennessee, and have done good service in Mobile Bay.

The entire class of monitor or turreted vessels has been brought into existence during this war, and the coast and harbor iron-clads have been serviceable in James River, at Charleston, and at Mobile. Modifications and improvements have been made in this class of armored vessels.

The pressure for iron-clads of light draught, which could ascend the rivers and penetrate the sounds and bays along our coast, was felt to be a necessity. The operations of our armies in the vicinity of the inland water and adjacent to the rivers required the constant presence of gunboats. But the men thus employed,

as well as the magazines and machinery of the vessels, are exposed, especially in the narrow streams with high and wooded banks. Some vessels, and not a few valuable lives, have been lost by these exposures, and in order to afford all possible protection to the gallant men who encounter these dangers, the Department considered it a duty to provide armored vessels of light draught for their security. Contracts were entered into for the construction of twenty vessels on the monitor principle, each to carry two 11-inch guns, in order to be efficient, and to draw seven feet of water.

It was ascertained, however, when the first two approached completion, that their draft of water was more than was intended. The heavy armor and the two 11-inch guns, with the machinery to give them proper speed, involved the necessity of enlarging the capacity of each of them. When making these necessary alterations, it was deemed advisable, under applications from some of the commanders of squadrons for boats that should present but a small rise above the surface of the water, to dispense with the turrets in five of these light-draft vessels, with a view to special operations. The remaining fifteen were ordered to be enlarged by raising their decks, thereby giving them additional tonnage and greater draft and making them more efficient, but in other respects carrying out the original design. This work is now being performed, and most of the vessels are near completion.

The exigencies of the times and the necessities of the war have stimulated the inventive faculties of our countrymen to vast improvements in vessels, in engines, in ordnance and projectiles. That in some instances they are not at first entirely successful is not surprising. Mistakes and even failures will occur. In nearly every class of vessels that have been built, and especially those that are armored, more or less alterations have been found necessary while they were being constructed. Only two of the monitor class of vessels, the Dictator and Puritan, are proposed for sea service. Their success, of which the inventor and builder is sanguine, is among the experiments that the period and the exigencies of the country have imposed upon the department.

Four turreted vessels have been built in the navy-yards, of wood, and cased with iron—differing therein from the original monitors, which are exclusively of iron. One of them, the Monadnock, now in commission, has performed her trips from Boston to Hampton Roads with entire satisfaction, giving assurance that this experiment, deviating, in essential respects, from others, is likely to be successful. The draught of water of the Monadnock is twelve feet, and with two independent screws she has a speed of ten knots. Four other similar vessels, of a still more formidable and invulnerable character, are building.

The only sea-going iron-clad ships, besides the two turreted vessels already mentioned, are the New Ironsides, built in 1862; the Roanoke, one of the old frigates which has been armored, and the Dunderberg, a casemate vessel. For this vessel the contractor has promised a speed of fifteen knots at sea.

The department has, on several occasions, invited propositions for iron, sea-going, armored ships, but Congress having declined to make the necessary appropriations, no measures have been taken for their construction.

The vessels recently built, and at present constructing in the navy yards, are of wood, the smaller class of them being gunboats, eight of which are of the class of the Nepsic, 600 tons, mounting one heavy pivot and four broadside guns. There are four of the class of the Nantucket, of 900 tons, mounting one heavy pivot, with six broadside guns. In addition to these there are four vessels of the class of the Algona, with a tonnage of 1,350 tons, and proportionate armament. All of these vessels have very considerable steam-power, and will, as some of them have already proved, be efficient cruisers at sea.

The immediate wants of the blockade having been supplied by the vessels built and altered in the navy-yards, and by purchase of the best merchant steamers capable of bearing heavy armament, the attention of the department has been bestowed on larger and more imposing ships, such as would be formidable not only for home defence but for foreign service. The position and influence of a

nation among the great commercial and maritime powers of the world are to a great extent dependent on its naval ability. Limited appropriations have already been made by Congress for vessels of this character. Each succeeding year of this war has produced from foreign ship yards steamers of greater speed to run the blockade, and the reliable preventive of this illicit trade must be found in vessels of increased steam power. By making them of sufficient size they will be formidable, not only to neutral violators of our laws, but to any enemy. Of the vessels on which some sacrifice of armament has been made to obtain speed there are seven building, three of which are already launched, and the others will soon be ready. Two of these vessels are being built by contract, and five in the navy-yards. This class of vessels is represented by the Ammonoosuc and the Chattanooga. There are also in progress of construction twenty vessels with steam machinery of rather less power, but which are to be much more heavily armed. Ten of these, of the class of the Illinois, the Guerriere and the Java, have covered gun-decks, and will carry twenty heavy guns. Two will have a plating of thin iron as a protection from shells. The remaining ten, of the class of the Contoocook and Manitou, building in the navy-yards, are of less size, but with equal machinery, and intended for greater speed. As all of them will be provided with masts and sails, they can be cruising vessels and used on foreign stations.

PRIZES AND PENSIONS.

The number of vessels captured by the sqadrons since the last annual report, and reported to the department prior to November 1, is 324, classified as follows: schooners, 105; steamers, 88; sloops, 40; brigs, 3; barks, 3; small boats, 85. The total number of captures since the commencement of the rebellion is 1,379, viz.: schooners, 652; steamers, 267; sloops, 171; brigs, 33; barks, 29; ships, 15; yachts and small boats, 117.

The gross proceeds arizing from the sale of condemned prize property amounts to $14,396,250.51; expenses, $1,237,153.96, leaving for distribution, one-half to the captors, and one-half to the United States as a naval pension fund, $13,190,841.46.

The pension roll on the 1st of November, 1864, was as follows:

769 invalids with pensions amounting to.....	$50,401 10
840 widows and orphans amounting to.....	139,258 00
1,609 persons receiving a total amount of	$189,659 10

EXPENSES AND ESTIMATES.

The following are the expenses of the Naval Department the past year, and the estimates for the coming year:

On the 1st July, 1863, there was an unexpended balance standing to the credit of the department of.....	$39,101,970 84
The appropriations for the fiscal year ending June 30, 1864, were	76,663,567 86
Total available means.....	$115,765,537 70
The expenditures of the department during the same time were.	$85,733,292 77
Leaving a balance at the commencement of the present fiscal year of.....	$30,032,244 93
The appropriations for the current year are	109,256,814 54
Making the total available resources for the fiscal year ending June 30, 1865.....	$139,289,059 47

The estimates submitted for the fiscal year ending June 30, 1866, are as follows:

Pay of the navy	$23,327,722 50
Construction and repair of steam machinery	17,145,000 00
Construction and repair of vessels	24,580,000 00
Ordnance and magazines	9,187,615 00
Fuel, hemp, and equipment of vessels	14,050,000 00
Provisions and clothing	13,923,280 75
Navy-yards and superintendents	4,577,818 00
Navigation and Naval Academy	562,626 00
Surgeons' necessaries and hospitals	315,000 00
Marine corps	1,599,087 70
Contingent and miscellaneous	3,970,018 33
Total	$112,187,663 28

The expenditures of the department since the 4th of March, 1861, have been as follows:

From 4th of March to close of fiscal year, June 30, 1861	$6,244,257 63
For fiscal year ending June 30, 1862	42,200,529 06
For fiscal year ending June 30, 1863	68,211,105 27
For fiscal year ending June 30, 1864	85,733,292 77
From July 1, 1864, to November 1, 1864	41,257,976 72
Estimated expenditures from Nov. 1, 1864, to March 4, 1865	42,000,000 00
Total	$280,647,261 45

PUBLIC LANDS, MINES, AND PATENTS.

The Secretary of the Interior reports a revival of the demand for the public lands, particularly for settlement and cultivation. During the year ending June 30, 1864, more than three millions of acres have been disposed of, and including the quarter ending on the 30th of September, more than four and a quarter millions of acres. The following is a statement in full:

Acres sold for cash	432,778.90
" located with military warrants	515,900.00
" located with agricultural scrip	214,418.14
" certified to States for railroads	857,180.87
" taken under the Homestead law	1,261,592.61
" disposed of during the year	3,281,865.52
During the quarter ending September 30, 1864, the aggregate quantity taken for the same purpose was	939,476.90
Making a total of	4,221,342.42

The cash receipts for sales, homestead and location fees, for the same five quarters, were $1,019,446 44.

The aggregate quantity of public lands surveyed, but not disposed of, on the 30th September last, was 133,517,587 acres. This has been the average quantity for several years past. The amount surveyed annually has been about equal to that disposed of annually.

The annual receipts from ordinary sales for four years past have been as follows:

For the year ending June 30, 1861	$884,887 03
" " " 1862	125,048 30
" " " 1863	136,077 95
" " " 1864	678,007 21

Nineteen States have accepted the provisions of the acts donating lands "for the benefit of agriculture and the mechanic arts," and have received land and land scrip amounting to 4,950,000 acres.

THE MINES.

The reports of the mining interests are very encouraging. Additional discoveries of precious metals have been made during the year in the region flanking the ranges of the Sierra Nevada on the east, in Idaho and Nevada and Arizona, and the Secretary recommends the appointment of experienced and skillful mineralogists to make a scientific examination of the principal mining localities, and of the mineral regions generally, and to report the result. An appropriation would be required for these purposes. The report says: "In that portion of Nevada through which the Pacific Railroad will pass, many rich veins have been found, and it is estimated by persons familiar with the subject, that if the mines now opened there were supplied with the proper machinery, they would yield ten millions of dollars per month. In the same region vast beds of salt have also been found, which, from its value in the process of separating the silver in the ores, has given a fresh impulse to mining. When we reflect that the region of country in which deposits of the precious metals abound, includes large portions of three States and six territories, and that the richest veins of ore heretofore discovered are as yet but slightly developed, whilst new discoveries are constantly made, it will be perceived that the annual product of the mines in the United States must soon reach a magnitude, without precedent in the history of mining operations."

The mines of New Mexico and Arizona, though regarded as inferior to no others, are now nearly inaccessible and indifferently wrought. It is therefore suggested whether it would not be expedient to grant all, or such portions of the lands as are requisite, to insure the construction of the necessary railroads, and the conversion of the sterile lands to a condition of fertility.

THE INDIANS.

The Indian troubles, during the year, have given the department much concern. The proposition to reverse the policy of making treaties with Indian tribes, and to abrogate all existing treaties, is discouraged by Mr. USHER; but he suggests the propriety of omitting all stipulations for the payment of money annuities, whenever good policy or existing engagements will admit of that course of action.

PATENTS.

The inventive industry of the country is stimulated rather than depressed by the war. Last year 6,740 applications were made for new patents; 989 caveats were filed; 29 applications for extensions were received; 4,843 patents were issued (including re-issues,) and 40 extensions were granted.

THE BOOK TRADE.

A History of the World from the Earliest Records to the Present Time. Vol. I. By PHILIP SMITH, B. A. D. APPLETON & Co., 443 and 445 Broadway.

THE title which this volume bears usually suggests to one's mind a mere dictionary of dates; that being about the scope of what are generally called "Universal Histories." We must confess, therefore, that in opening it, we did not anticipate anything less weighty, and were the more pleased to find it a very different affair. It is a history

—not a dictionary—and promises to be a work of permanent value, as a continued record of human progress, showing the gradual development and the grand result of the acts and struggles of all nations.

The author treats his subject under three different heads or periods—the three into which history naturally divides—ancient, midieval, and modern. The first extends from the creation to the fall of the Western Empire, and is to be completed in two volumes; the second, also in two volumes, will embrace the period from the fall of the Western Empire to the taking of Constantinople by the Turks; and the third, to which four volumes are to be devoted, is to bring the story down to our own time. Thus, the work will extend through eight large octavo volumes—giving room enough for a valuable history, and yet not making it so extensive as to place it beyond the reach of any.

We notice that the first volume contains several fine steel-plate engravings, and is, in fact, in every respect issued in excellent style.

Our Young Folks. A new Magazine published by TICKNOR & FIELDS, Boston. Single subscriptions $2 a year.

WE have received the first number of this new periodical for "Young Folks," and find it full of articles both instructive and entertaining. Filling, as it does, an important corner before unoccupied, and addressed to a class whose characters are forming, we are glad to see that its pages are to be presided over by editors so well fitted for the position. If we would interest young people in books we must make them attractive, and convey the information they contain, in an agreeable, lively, and entertaining manner. We know no one able to do this better than GAIL HAMILTON, and feel sure, therefore, that so long as she is one of the editors, one will find precious little stupidity between the covers of "Our Young Folks." We wish it a long, useful, and successful existance.

Diary of Mrs. Kitty Trevylyan: A Story of the Times of WHITFIELD and the WESLEYS. By the author of "Chronicles of the Schonberg-Cotta Family," etc., with a Preface by the author for the American edition. New York: M. W. DODD, 506 Broadway.

Notices of this and other books received deferred until next month.

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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

FEBRUARY, 1865.

PETROLEUM.—ITS LOCATION AND PRODUCTION.

At present engaged in the oil producing region of Pennsylvania, the undersigned cannot repress the ever uprising desire to explain, or to attempt an explanation, of the phenomena of the oil and its production.

ROCKS IN WHICH IT ABOUNDS.

First the rocks in which it is found, and those in which it abounds, claim a passing notice.

Everybody was surprised at the out-gushing of oil from the rocky bosom of the earth, as much as were the weary and thirsty Hebrews, when the smiting of the Prophet's magic wand brought water, pure and sweet, from the desert granite. At first there was a tendency to regard it in the same category as the "*Moon Hoax*." Its reality, however, was palpable. The senses could testify, and even incredulity was compelled to believe. Then arose the questions, "if oil is found in one place, why not in any other?" and "if in one place only, or under certain conditions only, then in what place or under what conditions?" If in one place only it could be found, then that was answered when the first well was found. No other need be looked for. Happily, however, the first astonishment over, venturesome spirits were not wanting to repeat the experiment of Mr. Drake; and, in a remarkably short period of time, many neighbors began to bore. The identity of the oil thus obtained, with the oil obtained by distillation of coal and inspissated bitumen, which had just at that time succeeded in making a market for itself, brought the new product immediately into use, to the serious loss and great disgust of the coal distillers. The demand, however, was still exceedingly small, when the discovery of a flowing well of great productiveness set enterprise and speculation all astir, and the oil began to spout forth from the wounded earth in numberless torrents. Demand was drowned in the deluge. The oil could not be

given away at the wells as fast as they poured it out. Small producing pump-wells were abandoned by the thousand, insomuch that old derricks rear their decaying heads all over Pennsylvania oildom, and bear mournful testimony to the ruined fortunes of thousands of early adventurers.

But to the rocks—what kinds of rocks are they? The rocks of almost every geological epoch above the primary igneous, produce petroleum in quantities greater or less—more less than greater however. But the rocks, pre-eminently oil-bearing, are immediately subjacent to the bituminous coal-bearing rocks of this region, although a remark of an old oil hunter, made in the hearing of the writer, seems to be a realized fact. Speaking in the earnest manner, common to the mere observer without science, he said: "Where the coal is, the ile aint." Thus it seems to be pretty generally agreed, that it is useless to bore through a coal bed for oil. After all, this is, at present, mere empiricism. No reason can be given by any man why oil may not be reached through a bed of coal, as well as through the other overlying rocks. On nearly all these hills subcarboniferous rocks abound, and the debris of subcarboniferous rocks forms the surface of most of the valleys as well. The basis of the hills are mostly identical with the Devonian sandstones and shales, represented in the New York system by the Chemung and Portage group. At the base of the subcarboniferous series lie the compact sand rocks, which, in many parts, are coarse conglomerates.

In boring for a well, no man expects to find oil until he has reached and passed through a whitish sand rock, lying at depths varying from seventy-five to two hundred and seventy-five feet in the valleys. This is called, by way of distinction, the "first sand rock," although the borer may have passed through a dozen different sand rocks alternating with shales, before having reached the "sand rock." Very generally, a well stopped after having penetrated this rock, yields a heavy thick oil, considered specially valuable for lubricating purposes, and commanding nearly double the market value of the light oils.

From one hundred to two hundred feet below this lies another, very similar, and called the "second sand rock." Having penetrated through this, the borer is usually rewarded with another "show of oil." This, too, is a heavy oil, though not commonly so heavy as the former. From this rock is produced nearly all the wells along the Alleghany River, while the wells on French Creek are nearly all completed in the "first sand rock."

But, to reach the great oil fountains, the drill must make another plunge of from one hundred to two hundred feet, when a "third sand rock" is reached. From beneath this rock out gushes the pure, limpid, light oil. Here, too, are reached most, not all, the great "flowing," or rather spouting wells; some of them having deluged the land at first, with three thousand barrels per day—the "Empire well," for instance. The wells of Oil Creek are mostly in this rock.

Here, then, we have perforations through a series of sand rocks and clay shales, until a certain sand rock is reached, under which lies the greasy treasure. Let it be noticed that in all this descent into the bowels of the earth, no limestone is reached in this region of country.

CAN WELLS BE OBTAINED FROM TOPS OF HILLS?

Under the general impression that breaks in the hills indicate chasms

in the rocks beneath, the valleys, gorges, dells, and even mountain rills are seized upon by oil seekers as favorable locations for boring; and the omnipresent derrick climbs to the summits of the ridges, by timidly following the channel or brink of some little mountain torrents, instead of boldly mounting up the faces of the hills. It is, undoubtedly, a geological fact, that these valleys of Western Pennsylvania, never primarily marked out at the period of upheaval, by the flexures of elevation causing anticlinal axes, or by the flexures of depression causing synclinal axes; in both which cases a system of fissures would be produced; in the former, they would be superficial and open upwards, forming the primitive channels for the waters—now the rills, brooks, torrents, runs, creeks, rivers; in the latter, they would be deep and cavernous, and open downwards, while the depression itself would form the water channel. Both these forms of valleys are seen here, and are usually plainly distinguishable, the one from the other; while, in some cases, it becomes necessary to carefully observe the dip of the rocks before a decision can be formed.

But what is the testimony of the wells? Do they all speak one language—tell one tale? Verily no; though their reports, however various, are susceptible of classification, quite clear and intelligible. These reports are of two distinct classes, viz.: cavernous accumulations of oil, and shaly accumulations of oil.

When the Noble well was bored, for seven long days and nights, down rushed the waters, down rushed the oil, and down rushed the gases. Probably Mr. Noble thought he had struck a short route to China or *the other place* below; and he might have been pardoned, if the thought of putting a telegraph wire down through to the Celestials began to suggest itself to his excited mind, apparently disappointed in his dream of wealth from the flow of the coveted grease. But lo! if he had been amazed and chagrined during the first seven days, at the swallowing up of all his hopes in a fathomless abyss, he was no less astonished and delighted on the eighth day when he saw the liquid wealth suddenly rise with a snort and a splutter, and shoot up at the enormous rate of two thousand five hundred barrels per day. Other proofs of caverns are abundant, especially of caverns in the forms of rifts and chasms. Intermitting wells also show the fact of caverns. For instance, one well flows a good stream, gradually diminishes, ceases, and then gradually commences, increases, reaches its maximum flow, and then, as before, gradually declines. The periods in this case are eleven minutes flow, and fifteen minutes rest. On the contrary, most wells, I think, give proofs of being supplied with oil from shales. The gradual manner in which it evidently reaches the tube, shows that it results from percolation through some partially retaining substance. That shales are there the borer knows; for he brought up their triturated debris, while reason also affirms "it must be so."

As to the question of choice of ground, whether we shall take hill or valley or ravine, we may evidently conclude that these three several "sand rocks" will be reached at a less depth in a valley than on a hill. That rifts and chasms would be more abundant near the axes of flexure than where these do not occur, is a very natural and safe conclusion; but that one of the shale wells might be obtained from the top of a hill seems self-evident, by adding to the depth of the boring the excess in altitude. That no chasm or rift might be reached from the top of a hill, is by no

means a tenable position. Indeed, proofs are not wanting that chasms or rifts do occasionally occur in hills and beneath them. The celebrated bitumen vein in West Virginia splits a hill from summit to base, and crosses the valley at nearly right angles. At the top of the hill this rift is two feet thick; at the bottom and through the valley it is four feet ten inches thick. Assuming now, merely for the argument, that this same rift were a thousand feet geocentrically lower, that the bitumen existed in a liquid state, and that, in boring for oil, or other purpose, it is reached, evidently our part of the rift, *i. e.*, the reservoir, would be equally efficacious with another, hill or no hill. If, however, this hypothetical rift should make an angle with a vertical plane, in such manner as to place some portions geocentrically higher than others, (a condition, the probabilities of which, against the supposition of a perfectly concentric contour and vertical position, are almost infinity against zero,) then perforations at different altitudes will vary in productiveness. A low perforation will give great hydrostatic pressure; and the flow will be correspondingly great. If a barrel filled with any liquid be tapped on the head in a dozen different places, and at different distances from the top, that orifice will discharge the most which lies the lowest, the preforations being equal. *A priori*, then, we may safely conclude that he who bores for oil from the top of a hill, though his chances for striking a chasm reservoir may be somewhat diminished, may still very confidently proceed, assured that he will find oil in shale, if not in rifts.

THE THREE SAND ROCKS.

What may be the character of the three "sand rocks," in virtue of which they, and they alone, have become the conservitors of oil, does not yet appear. So far as known, all the surface drainage must have originated from these rocks, as in all the borings made these alone have yielded oil,—still not these, but under these. Moreover, the reservoirs under the three are evidently disconnected; the oils differing in gravity, the heaviest atop! when, by mixing the three in one vessel, they separate according to the law regulating the separation of liquids differing in specific gravity. On the contrary, as might be expected, the reservoirs under the same rock, give abundant proofs of extensive connections. Thus new wells frequently so tap the reservoir of old ones near them, as to greatly effect the quantity of the product from the old. On Oil Creek, new borings very generally pass through a deposit of debris from the old borings; and, in some instances, remnants of cable, and of seed bags and seeds have been brought up from a depth of several hundred feet. Thus the proof of connection is placed beyond hypothesis. It rests on facts.

DAILY PRODUCTION OF OIL, AND THE AGGREGATE AMOUNT.

The quantity of oil produced now does not materially differ from that of two years ago, viz., about six thousand barrels daily; a little short perhaps. From this fact some have leaped to the unwarrantable conclusion, that the maximum capacity for daily production was then reached. They argue that the number of wells has been greatly increased, but the quantity received is nearly constant. Therefore, more oil cannot be procured by increasing the number of wells.

Now we need but a moments reflection, and an appeal to a fact or two, in order to expose the fallacy of such a conclusion. First, the number of producing wells now is not so much greater than two years ago, as would at first sight appear. Old abandoned derricks, over wells which were producing oil two years ago, are very abundant; all along Oil Creek for miles, along French Creek for miles, and along the Alleghany River for miles, these abandoned wells outnumber the wells producing oil to-day. To the inquiry, wherever made, "Why are these wells idle?" but one answer is given, viz.: "They were abandoned two years ago, many of them at the time of their abandonment yielding thirty to forty barrels per day. But cooperage could not be obtained, and oil was worthless. The owners were obliged to leave them. Many of the owners have since gone into the army." This tells half the tale. The other half is as follows: All great spouting and flowing wells act either from hydrostatic or pneumatic pressure, or both. In either case the vent made by the well gradually reduces the force, and the well as gradually declines in its productiveness. This is the universal history of these wells. But it is a no less noticeable fact, that fewer new wells are great *spouters* than formerly. On the other hand, pumping wells, especially those of moderate productiveness, are very constant in their yield, scarcely diminishing their primary quantity in years. I conclude, therefore, that the daily product might be indefinitely increased. Not so, however, may it be said of the

Aggregate amount. That is fixed, is limited, under every view of the question of origin. If the quantity is definite, as is that of coal, iron ore, gold, silver, and the like, then like them it is exhaustible, not only in special localities but as a whole. If, on the other hand, it is a product of constant evolution, generated deep in the earth's secret laboratory, then is it exhaustible whenever the draft exceeds the production, just as the annual fruits of the earth are exhaustible whenever consumption exceeds production. Neither will it avail here to assume that its production exceeds any assignable amount of consumption. In that event, its accumulation in past ages would, or at least should, have overflowed its rocky reservoirs, and caused an inundation of oil, long geologic eras since. It is a very favorite and fashionable expression with the world, and even with many acute writers on scientific subjects, to say of this or of that mineral, "It is absolutely inexhaustible!" Thus they say of iron, of coal, of the fertility of some soils, etc., etc.; and thus many say and affect to believe of oil. Still it requires no great engineering acumen to demonstrate not only the contrary, but even to show *how many years any given mineral, as coal, will last any specified country, as England for instance.* True, we do not yet know how large a portion of the earth's surface rocks is oil-bearing. For myself, I am persuaded that it will eventually be found about as extensive as coal in territory. Discovery, thus far, seems to cling to the skirts of bituminous coal regions. It may prove that the oil regions and the bituminous coal regions will be found everwhere conterminous. With the present light we have, I do not think geologists would commit a very great blunder should they encourage enterprise to seek for it in all such localities, and stand non-committal with respect to other localities. Still, wherever we have the bituminous coal resting on other strata than the upper Devonian, I confess to some doubts, and I would be slow to commit myself beforehand. The very marked feature of the three "sand

rocks," and the fact that they alone, *in this region*, are oil-bearing, cannot but make one hesitate. Yet it is difficult to maintain entire silence, for men are everywhere eager to know what their prospects of success may be; and they appeal to the geologist not so much for an honest counsel as for a confirmation of their hopes. That geologist who frankly says "I do not know," is set down as *very verdant*, yet he only is safe. The excitement of speculation is so great, that the rocky bosom of mother earth will undoubtedly be put to the test in many a region now little thought of, whether the geologist speaks or not; and, as the first discovery was made without his knowledge or *consent*, so is it quite likely to precede him in extending the development of the greasy area. While science pauses to ponder, to systematize, to classify, and to rationate, speculative enterprise, eager for the golden harvest, plunges into blind search, strikes out right and left, and is very sure to hit in the right spot sometimes. Science will follow at her slow measured tread, and only corroborate and substantiate the discoveries of the adventurer. This will prove so at least until facts have fertilized the waiting womb of science. Then will she bring forth an illustrious progeny, out of this, as out of other great subjects in natural history.

ORIGIN OF MINERAL OIL.

Absolute certainty on this subject, as on many other kindred subjects, may never be reached. Speculation respecting the origin may be, as yet, entirely premature. Still, as the world is full of guesses, and as conceit is frequently enrobed in the garb of unquestionable principle, it may not be amiss to estimate the value of one or two theories respecting this most recondite subject. Recently, an article appeared in the *Daily Press*, without the authority of a name and without comment of the editor. In such case, the editor must, of course, be held responsible. This was very brief, but the theory was explicit so far as it went. It assumed that oil, as it comes from the pierced bosom of the earth, is the offspring of water and carbonate of lime, mutually decomposed. The words are, "The water descends through the rocky strata, dissolving as it goes, and carrying with it various acids and alkalies; and, on reaching some limestone bed, decomposition takes place, and the elements unite to form different compounds, among which the carbon of the limestone and the hydrogen of the water unite to form oil. Therefore, the supply is inexhaustible as the ocean!" I have not quoted verbatum, but nearly so. The sense, I think, is accurate. It is not an agreeable work to strike an unknown person. But we may hit this theory a blow or two in order to see whether it is merely a hollow shell, or vapid air, or solid substance. First, it lacks completeness. It does not tell us what re-agents are dissolved beforehand in the water, sufficiently effective to cause decomposition. Water, most assuredly, will not. If the carbonate of lime were the carbide of calcium, or carbide of lime, (compounds never found in nature,) then would this theory stand on a very fair foundation. But not now. Again, had the re-agent been named, we might, perhaps, comprehend the operation; but, as *it* is not named, we grasp at solidity and catch air. If we suppose an acid re-agent, what shall it be? Will we suppose it to be nitric acid, a small amount of which is produced in thunder showers? It is combined with the free ammonia forming nitrate of ammonia. Sup-

pose this substance and carbonate of lime to be brought together in the solution and decomposition effected under the laws of affinity, what do we get? Surely not oil at all; but nitrate of lime and carbonate of ammonia instead. So of any other salt, the elements of which may mutually interchange with carbonate of lime. But suppose the water carry down free acid capable of decomposing carbonate of lime. We now get free carbonic acid, not oil; and, if we can contrive to hypothecise the decomposition of the water so as to liberate the hydrogen, we still have the carbonic acid from the limestone, not carbon. It is really a very difficult affair to make even so clever a guess as this work. But, suppose for argument sake, we admit that this is really the origin of petroleum, and jump the *modus operandi*—What follows? What else but this, viz., carbonate of limestone everywhere should be doing the very same thing? All limestone countries should be greasy countries; and the more the limestone, the more the grease! Limestone regions, with one accord, cry out indignantly against the imputation. Finally, it must have been so from the first; and it is difficult to conceive how carbonate of lime has been able to maintain its existence through such vast cycles of ages, as must have intervened since it was first born of the elements and baptised in water.

Second, the theory that oil is a result of pressure upon coal is maintained by some respectable geologists. In other words, that, as whey is expressed from a cheese curd, or oil from the olive, so is petroleum expressed from the coal beds. This theory supposes coal to have originated from vegetable substances, by a process identical with that operating in the formation of peat and lignite; that a peat bed requires only submergence and burial beneath a mass of rocks, and the elevation of temperature consequent upon increased depth, to convert it into coal. During this process of conversion a slow but sure destructive distillation is quietly at work upon the vegetable substance, converting it into the various hydrocarbons. (They are not carbides of hydrogen, as are the two gaseous compounds, CH and C^2H, although the former of these is an abundant product of vegetable decomposition.) The temperature requisite for obtaining oil must have been reached, maintained sufficiently long to reach the result, and subsided before the coal was reduced to coke. Under the enormous pressure and in compressed water, that coke, if reached in the process, may have very materially differed from anything in that line human art can ever hope to attain, how different from anthricite coal I leave for others to declare. At all events, we can easily perceive that, if this were really the manner in which the oil was originally produced, a temperature would not be difficult to assign which would coke any supposable bed of the primitive coal. Moreover, if the heat did certainly exist in sufficient intensity, it is difficult to see how, under the circumstances of pressure and absence of free oxygen, anything else should transpire than the evolution of the hydrocarbons; and, if continued, of the coke, by means of superheated water and incalculable pressure. Nevertheless, the theory of the formation of anthricite coal from bituminous, through the agency of heat and pressure, is universally conceded by all whose opinions bear much weight on scientific subjects. But, says the skeptical querist, if this be so, why do we not find oil in the anthricite regions? To this my answers are, first, we have but now found it near the bituminous coal, and that, too, without scientific forecast, but rather by a blind inquisition,

groping after a little, a very little "Seneca oil," as one of life's panaceas, propounded by quacks and believed in by ignorance and disease. Secondly, *a priori*, one would say, that, under the high temperature attained in producing anthricite, the oil would become volatilized and sent into the "upper air," there either to ignite and suffer the consequent decomposition, or to be condensed and to float away on the bosom of the primeval ocean; to be driven hither and thither by the turbulent storms, until, finding quiet in some isolated lagoon or land-locked bay, it might ultimately become some bituminous lake of Trinidad—be buried again to be exhumed in the long after eras, as the Albert coal of New Brunswick, or as solidified bitumen amid the mountain rifts of Virginia and North Carolina. Who will say nay?

The temperature around bituminous coal regions not having attained sufficient intensity to produce coking, nor to volatilize the oil, this latter remains in its liquid state to follow the water with which it was associated, sinking as the water sank and rising as the water rose, maintaining its hydrostatic relation of levity, as compared with the greater gravity of its saline associate—salt water.

The fact that the lightest oil is found beneath the "third sand rock," may have reference to the order of distillation, or it may be the sign of a redistillation of the lowest; for it is a known fact, ascertained in the refineries, that the heavy oils may all become converted into light oils by properly managing the distilling process. Thus has God, in his own matchless laboratory, anticipated human research and attainment.

I scarcely need add, that to this theory for explaining the origin of that wondrous product of nature's chemistry, this more than Alladin's lamp, to many a formerly poor peasant, but a now wealthy Crœsus, I can discover no very serious objection. It seems perfectly to meet all the requirements of a well grounded hypothesis which will endure the severest tests. It seems to render intelligible the mysterious characters "done in oil," and to bring forth a true interpretation of the mystic symbols traced in nature's own book, and stored away amid the rocky archives of the geologic eras of the mysterious past.

There is one other theory which deserves a notice, though I by no means propose to discuss it in full, neither to refute it, nor to show its plausibilities. It is the only really rival theory to the one last above given.

That theory begins where the other leaves off. It supposes oil to be one of the primitive compounds, in the same manner as water and all the ordinary solids and carbonic acid gas, instead of being a secondary, belonging to the same category as ether, alcohol, chloroform, etc., the result of derivative chemical forces. It says the hydrocarbons were first. By exposure to air and moderate temperature, etc., they became inspissated and are asphaltum, bitumen, and finally coal. It says "all the impressions found in coal are the mere accidents of their day—organic substances embalmed in nature's cerements." Their strong arguments consist in calling for the potash of the plants supposed by the opposite theory to have originally constituted the coal beds, in citing the chemical identity of oil, asphaltum, and bitumen, and in appealing to the existence of these in separate beds, deposits, and reservoirs.

I do not deny the force of all this; but I do conceive that the theory of organic distillation by heat, and under immense pressure, and with

permeating water, is more in exact consonance with what we know from experiment; and that it meets all the reasonable demands upon it as a primary hypothesis. True, every hypothesis should be tried by the severest tests before it is catalogued as a fundamental principle. And no matter what hypothesis one puts forth, only so be he is willing it shall be subjected to the "*experimentum crucis*."

IRA TAYLER.

NATIONAL SAVINGS AND NATIONAL TAXATION.

(Number II.)

THE INCOME TAX AND ITS RESULTS.

WE have already referred to the difficulty there is in attempting to reach any accurate conclusion respecting the national income. In our last article, however, we showed what must have been the annual accumulations during the past ten years, if the census returns are sufficiently accurate to form a basis for the estimate. Taking the assessed valuation of all the property, real and personal, in the United States, in 1850 and 1860, (that is taking an account of stock at each of those periods,) we stated that the increase thus exhibited must be the savings of the country during that period, with certain exceptions. Among those exceptions we mentioned the increased valuation of real estate, which is mostly nominal. It does not represent accumulations, except to the extent of the improvements in the way of houses, fences, etc.; and, as we then said, it makes no difference whether Western farm lands are assessed at their actual cost, $1 25 per acre, or at their assessed value, $100 per acre, the real value, which is the profit the farmer gets after supplying his family, is in each case the same. It is only out of that net income that he can pay taxes, whether his farm is assessed at $1 25 or $100 per acre.

So, too, in regard to the valuation of personal property, we showed that there were many inaccuracies. Much of it is assessed two or more times. For instance, take the valuation of savings and other banks, and we find the capital of the bank is first assessed, then the deposits, and, again, all that the capital and deposits are invested in—such as real estate, United States bonds, the stocks of goods, etc., merchants and others are able to purchase by means of the loans thus obtained, etc. Hence, therefore, two things it appears to us are evident. First, that the increase in valuation of real estate is not, except to a small extent, accumulations; and second, that the personal valuations are in many cases repeated, and therefore excessive. Balancing, then, this excess in the valuation of personal property against that portion of the real estate which may be considered savings, and we reached the conclusion that the increase in personal property might be taken as the amount of the savings. We claim, of course, no refined accuracy in this estimate, all we expect is an approximation. But that is sufficient for our purposes; for if we can convince our readers of the necessity there is for economy, both national and individual, we shall have accomplished a decidedly good result.

Yet, although an estimate made, as indicated above, could of course lay no claim to refined accuracy, still we now have, in the returns of the Commissioner of Internal Revenue, corroborative evidence that the conclusions reached cannot be far out of the way. The census returns give the personal estate in 1850 at $2,029,050,213, and in 1860 at $5,111,553,956; showing an increase of $3,082,503,743 in ten years, or an average annual increase in the savings of the country of about $308,000,000 a year, and this we gave in our previous article as the probable *net* income of the United States each year from 1850 to 1860. Turning now to the returns of the income tax we reach similar results. The amount collected on the income tax for the year ending 1863 was $23,556,084, and this tax being three per cent, the sums thus collected represents a *gross* income of $785,136,133, which amount, therefore, is thus shown to be the total *gross* income of the United States in 1863 over and above the $600 exempted. It will be remembered that in our last article we showed the result of this same tax in England, and the conclusions reached then compare with the above figures as follows:

	All incomes over	Gross incomes.	Rate of tax, per ct.	Proceeds.
Great Britain..... ...	$484	$1,471,521,685	3½	$55,240,740
United States	600	785,136,133	3	23,556,084

Thus the income tax gave very nearly half as much here as in England. It is to be borne in mind, however, that the English tax was levied in the year 1861–62, when general business became very dull because of the outbreak of the war in this country, many of those channels of profit which we pointed out in our last article being under depression. On the other hand, business in the United States was very active and prosperous during the year 1863, under the influence of large Government expenditures, and of the progressive issue of paper money, which resulted in a continuous rise in prices of all commodities during the year, causing old and dead stocks of goods to command unexpected profits, which were calculated in paper money and not in the specie medium of the previous year.

Thus, as all know, the paper income of the year was very largely increased, and yielded a much larger amount of tax than could otherwise have been looked for. Still it should be remembered, on the other hand, that incomes are in many cases understated and never overstated, so that the aggregate returned must be somewhat less than the actual. We cannot, of course, know the extent to which this tax is affected by either of these causes, nor shall we attempt it. To continue, however, our comparison with the returns of Great Britain, it is necessary to reduce the paper income to its specie equivalent, which is (taking the average price of gold in 1863) $523,424,089. The fact will then remain that, payable in the same currency, the income of the Northern States is rather more than one-third that of Great Britain. Refering now to our last article, we find that out of an income of $1,471,521,685 per annum in Great Britain, the net surplus (page 434, vol. 51) was placed at $570,000,000, or about forty per cent of the gross income. At the same rate the net surplus *of those States paying this tax* would be $209,369,602 per annum. The estimate of savings made in our former article, as stated above, was $308,000,000 *for the whole country*, giving about the same result now obtained.

Thus it appears that the annual net income of the whole United States is about three hundred, or certainly cannot exceed four hundred millions of dollars. This represents the total annual net surplus, which heretofore has been applicable to the following purposes:

1. Purchases and improvement of land, drainage, machines, buildings, etc., necessary to production.
2. Construction and improvement of dwellings.
3. Construction and improvement of factories, workshops, tools, motive power, etc.
4. Creation of public works, railroads, docks, bridges, telegraphs, roads, churches, hospitals, colleges, asylums, and water-works.
5. Trading capital, stocks of goods, ships, etc.
6. Investments in public stocks, insurance, gas, etc.
7. National taxation.

The increase of business and population demands a considerable application of capital every year to each of the above six purposes, so that all of the net surplus clearly cannot hereafter be applied to the payment of taxes. If it were so applied, the further development of the wealth of the country would be impossible. The rapid increase in wealth of the United States hitherto, has been owing, in great part, to the fact that the surplus earnings in almost all business have been applied to extending, improving, facilitating, and therefore cheapening production, while the means of individuals have been free to purchase those productions, thus giving a new stimulous thereto. Should the Government now be compelled to step in and absorb the whole of that portion of this revenue, which has hitherto been applied to facilitating production, one can easily see what the result would be.

We must here remind our readers again that there is no fund out of which taxes can be paid except this net income. The popular boast about our inexhaustible resources is really nothing more nor less than silly and wicked; silly, because even a thinking child knows better; and wicked, because it leads to extravagance and carelessness. The resources of the nation are measured by its income. We, as individuals, can pay no more in taxes than we have net income. To point to our gold mines and say there is the means to pay our debt, is no more foolish than to tell the farmer to pay his interest due this year out of crops not yet even put into the ground. The soil and the mines are rich enough, but the gold and the crops must be produced before they can be spent. As we stated on a previous occasion, this same gold and fertility of soil were there when the continental dollar was valueless, and ever since that time we have been producing both gold and crops as fast as we could with the capital and labor we possessed. It is to the annual production alone we can look as a resource, and we can increase that only by the application of more capital and labor. If, therefore, all the surplus earnings are to be applied to taxes, it is clear that the production neither of our mines nor our farms can be increased.

But we will not dwell longer on this point, as we have discussed it at length in previous numbers.* Besides, it is self-evident that the only fund we can look to for payment of our taxes is our income. By economy on the

* *Merchant's Magazine* for 1864.

part of the people, however, the net savings can to a certain extent be increased. It should be remembered, also, that the income estimate we have made, does not include any under $600. Of course such small incomes, as a general rule, yield no surplus—the full amount being required for consuption. And yet they indirectly pay taxes, and are able to do it by the exercise of greater economy; thus adding to our tax paying abilities. This process of saving, however, of necessity discourages business and production, and if carried to too great an extent, the whole system of production and interchange is thus put under pressure, which soon must undermine the incomes and diminish the surplus.

We have thrown together these few ideas, for the purpose of showing the earnestness of the financial question before the people at the present time. If its importance were only appreciated there would be far less danger in the future. We have no doubt of the ability of the country to finish this war successfully, and to pay the expense of it; but yet it is evident from what we have said that we have no money to waste—that the future growth of the nation depends upon the financial policy pursued now. The hearts of all are full of hope, joy, and thankfulness, on account of the successes obtained in the field; only this one threatening cloud remains. It can be robbed of much of its damaging power by care and wisdom. But if we choose to flatter ourselves with the idea of our wealth, to blind our eyes with false notions of our resources, and act accordingly, the extent of our future suffering must be greatly aggravated. Remember *that not one cent of the expenses of this war has yet been paid;* we have carried it on by simply issuing our promises to pay, so that the war has not proved our resources financially, but only our faith in our Government. The taxes collected have paid nothing because the additional issue of currency has neutralized them, by increasing the expenses each year to more than the amount thus collected. And remember, too, that when we begin to pay, we can spend no more than our net income, and that every cent required for taxes is so much taken from production.

We shall hope hereafter to indicate some of the changes which should be made to increase revenue and decrease expenses.

COMMERCIAL LAW.—NO. 18.

BANKRUPTCY AND INSOLVENCY.

THE HISTORY OF THE LAW OF BANKRUPTCY.

Centuries ago, dealers in money, or "exchangers," as they were called in England, sat behind a bench, on which lay heaps of the coin they bought or sold; and some remains of this practice may now be seen in various parts of the old continent. This bench, or "banco," in the Italian language, gave its name to the moneyed institutions of deposit, or of currency, of which the earliest of great importance, if not the first in time, was the "Bank" of Venice. When such a trader became insolvent, or unable to meet his engagements, those who had charge of such things,

whether as a police or as an association or guild of such dealers, broke his bench to pieces, as a symbol that he could carry on that business no longer. In Italian, the words "banco rotto" mean a broken bench; and from this phrase antiquarians suppose that the word "bankrupt" grew.

In this we see nothing of alleged criminality, or of punishment. But the laws of England went to an earlier source than the Italian commerce of the Middle Ages, and found in the Roman law the principle which governed, and perhaps still governs, their system of bankrupt laws. This principle is, that the bankrupt may be presumed to be dishonest and criminal, and treated accordingly.

By the original English common law, the body of a freeman could not be arrested for debt, whether he was a trader or not. And the earliest processes of that law included none for imprisonment for debt. This was of later origin. In the reign of Edward I. a law was passed authorizing an arrest of a defendant in certain cases, for the purpose of more effectually securing the performance of commercial contracts. This was extended in its operation by a law of Edward III., and sundry statutes followed, applying further regulations to this subject, until late in the reign of Henry VIII. (1544) a statute was passed so nearly resembling a modern statute of bankruptcy, that it is generally considered the first bankrupt law. In a statute of the 13th year of Queen Elizabeth, the operation of the law was confined to traders; or, in the words of the law, "to such persons as had used the trade of merchandise in gross or in retail." And thus an important principle was introduced, which has since been adhered to, although somewhat liberally construed.

In those, and in still earlier days, there was perhaps more reason for regarding a mercantile bankrupt as a criminal than there is now. Even at present, many insolvencies are undoubtedly fraudulent, and the innocent bankrupt generally, if not always, owes his failure to guilty intent or guilty improvidence in some quarter. But it is also certain, that, in the vast complications of the commercial world, all who engage in business are subject to casualties, which imply no crime, and which no sagacity could avert. By the Roman law, the merchant who failed in business was expelled from the college (or guild) of merchants, and never suffered to trade again; if that law prevailed here, many of our most eminent and useful merchants would have lost the opportunity of retrieving their affairs by ultimate success, and paying off, by the fruits of a later industry, the debts of an early insolvency.

The community are now sensible of this. And to this conviction we owe the gradual, but of late years rapid, change in the spirit of our laws for the collection of debt. Now the endeavor is made to discriminate carefully between an innocent and a wrongful insolvency; and to treat the latter only as criminal. That our laws do not yet effect this purpose perfectly, and without any injurious result, may be true; but the purpose and the principle are certainly right.

The Constitution of the United States authorizes Congress to pass a bankrupt law. But not until eleven years after the adoption of the Constitution was a bankrupt law passed, in 1800, which, by its own terms, was limited to five years, but was in fact repealed after it had been in operation two years and eight months. Sundry attempts were made from time to time for a new one; and whenever the vicissitudes of trade press-

ed more heavily than usual on the community, these efforts were more urgent. And to the general decay of trade in the country, or rather the wide prevalence of actual insolvency, was due the law which was passed in 1841, after an earnest but unsuccessful endeavor in the year previous.

If the amount or number of applications for the law is a true measure of its need or its utility, this law was not passed too soon. In Massachusetts, for example, there were 3,389 applicants for relief, and the creditors numbered 99,619, more than a third of the adult male population of the State, and the amount of their claims exceeded thirty millions of dollars, averaging about three hundred and fifty dollars to a creditor.

This law was repealed March 3, 1843, one year six months and fourteen days after it was enacted; and in this short period it affected more property, and gave rise to more numerous and more difficult questions, than any other law has ever done, in the same period. It was repealed because it had done its work. The people demanded it, that it might settle claims and remove encumbrances and liens and sweep away an indebtedness that lay as an intolerable burden on the community. When it had done this, it began, or was thought to have begun, to favor the payment of debt by insolvency too much, and the people demanded its repeal.

We have no national bankrupt law now. The present Congress may pass one: yet the State insolvent laws are now so well constructed and systematized, that they effect, though not quite so well, nearly all the purposes of a national law.

But these State laws are entirely independent of each other; and their provisions are so different, that it is difficult, or indeed impossible, to present a view of the bankrupt law of the United States which can have the unity and system of such a view of the laws of any nation, in which these laws are made by one legislature for the whole people, as in England, for example. But there is enough of system and of similarity, and enough of principle running through the whole, to make it expedient to endeavor to present a general view of the generally admitted principles, without attempting to exhibit merely local details and peculiarities. Should a national law be passed, it would undoubtedly embody these same general principles.

THE DIFFERENCE BETWEEN BANKRUPTCY AND INSOLVENCY.

This difference was not perhaps perfectly clear in its beginning, and has gradually grown dim with time, until now, in this country at least, it has become almost obliterated. But from it arose, and upon it, in some measure, depends, our present American law of insolvency.

The earliest difference between these was, that bankrupt laws applied only to those "who used the trade of merchandise," while insolvent laws applied not only to traders, but to all who were indebted and unable to pay their debts. The more prominent distinction, however, was this, that the process under the bankrupt law was *against the will of* the bankrupt, by his creditors, in order to obtain a sequestration of his effects, (by sequestration is meant the taking them out of his possession and control,) and prevent a further waste or fraudulent or unequal misapplication of them, and secure the payment of their debts as far as these effects would go. But the insolvent laws were intended for the relief of debtors who sought to be protected, by the delivery of all their property, from further

molestation. This distinction is now so far lost sight of, that the last national bankrupt law, and most of the State insolvent laws, provide separately for a process *against* a party, and also for one on the application and request of the insolvent himself. It has also been supposed that another ground of distinction lay in the fact, that the bankrupt law discharged the debt, while the insolvent law left the debt in full force, but protected the debtor himself from arrest or imprisonment. But this distinction has also faded away.

For a long time, in England, these two systems of law—Bankruptcy Statutes and Insolvency Statutes—ran along together, those of Insolvency being the more numerous, but the two subjects were kept quite apart. At length they began to assimilate, and in the recent legislation, especially by the latest, they have continued to approach nearer and nearer together, until there is now scarcely any discrimination between them.

In this country, there has not been any very clear distinction between them, at any time; but one consequence from the nominal distinction was important. These colonies, from the earliest times, enacted insolvent laws, but not bankrupt laws. And when the Constitution of the United States gave to Congress the power to pass a bankrupt law, it seems to have been thought that this in no wise affected the rights which the States continued to possess, of enacting what insolvent laws they chose to. This right they have continued to exercise to the present day; and always under the name of insolvent laws. But, so far as we may affirm with much positiveness any conclusions on this obscure subject, we may say that the distinction between insolvent laws and bankrupt laws is now, in this respect at least, nothing, and that a State can pass no law calling it an insolvent law, which it could not pass under the name of a bankrupt law; and that the power given to Congress to pass a bankrupt law does not take it away from the States, who may pass what bankrupt laws they will for their own citizens, whenever there is no general bankrupt law enacted by Congress. And even if there be such a law, any State may, perhaps, pass any bankrupt law which in no way interferes with or contravenes the statute of the United States.

This last remark, even if admitted to be true, cannot have much practical value; for it can hardly be supposed that Congress will pass any general bankrupt law which would be so inadequate or incomplete that a State could pass an insolvent law, of any importance, which should not interfere with it. Where cases had been commenced under the State insolvency laws, before the bankrupt law went into force, it was decided that they might go on to maturity, and were not superseded by this national law.

At present, we have no general bankrupt law, but a great variety of State insolvent laws. Of their special provisions we do not propose to say much; but shall confine our remarks, principally at least, to those general principles which may be supposed common to them all, where not specifically excluded. And of these, what may be called the fundamental principle is an equal division of the assets (or property applicable to debts) of an insolvent among his creditors.

At common law, any person, whether a trader or otherwise, may pay any debt at his own pleasure, whether he be insolvent or not; and if such payment exhaust his means, so that he can pay no other creditor, the

common law makes no objection. In other words, it permits a preference among creditors, to any extent and in any form. Nor does the English Statute of Fraudulent Conveyance affect this question. This statute was passed in the reign of Queen Elizabeth, and has been considered as brought over to this country; so that it is now a part of our common law. By its provisions, any transaction is void, because fraudulent, if intended to "hinder, delay, or defraud a creditor." But it is not considered that a debtor does this by paying one more than another, or paying to some of his creditors all of their debts, and to others nothing, provided hir reason for paying to these last nothing is that he had nothing left for them after paying the others.

At this right of preference, the bankrupt system was directly aimed. Since the reign of Elizabeth, it has been restrained and almost suppressed in England. But in this country, where, as has been said, the English bankruptcy system was never introduced, and this whole matter was regulated by common law, a system of voluntary assignment, with preferences of all kinds, prevailed extensively. The frauds and mischiefs resulting from this, gradually produced a conviction that both expediency and justice imperatively demanded an equal distribution of the assets of an insolvent among all his creditors. In Maine, New Hampshire, Massachusetts, Connecticut, New Jersey, Delaware, Pennsylvania, Ohio, Missouri, Georgia, and Louisiana, special assignments, with preferences are no longer permitted. In other States, particularly in New York, there seems to be a growing disposition to encourage an equal division, by providing not only, as is now generally done, that the insolvent shall be discharged only when his effects are equally divided, but that all preferences shall be void. This system is found to operate well wherever it is tried, and we cannot doubt that it will be, at no distant day, universal. We are not aware that any State which has suppressed special assignments with preferences, has ever returned to them. In some of the States, however, preferences of debts due as wages of labor, to a certain amount, are permitted.

THE TRIBUNAL AND JURISDICTION.

The bankrupt law of the United States gave the jurisdiction of (or right to hear and determine) all cases of bankruptcy to the District Courts of the United States; and the reasons for this are so obvious, that it would undoubtedly be so provided in every future law. The State insolvent laws, for the most part, provide commissioners of insolvency, and among these the judges of probate are sometimes placed *ex officio;* but there is no uniformity on this point. There is, certainly in general, and we think always, a supervisory power in the Supreme Court, or in the Court of Chancery, of each State.

If a creditor's claim be doubted, the assignees may have the question decided by a jury,—and so may the creditor, if his claim be disallowed,—by the provisions of many States.

As to the manner of initiating the proceedings in bankruptcy, the national law contained some provisions copied substantially from the English laws; and in the short time during which the law was in force, various rules were made by the courts, or resulted from adjudication and usage. At present, each board of commissioners, or each commissioner,

seems to have the power of framing its own rules of practice, always, however, subordinate to the principles, first, that each case shall begin with an application, either from the creditor (where that is permitted) or the debtor, under oath, and then full notice, by advertisement or otherwise, to all interested, with sufficient delay, and convenient arrangement as to time and place. And, secondly, all the facts material to any party are to be proved before the proper tribunal, by proper evidence, verified by oath, and subject to cross-examination, and generally governed by the common principles of the law of evidence.

There is also introduced into most of these codes a rule derived from equity practice, by which the debtor may be compelled to answer, under oath, upon the interrogatories put to him by the commissioners, or by one or more creditors; especially upon matters bearing on the question whether he has made any fraudulent or favoring assignments of property, with a view to bankruptcy, or while actually insolvent. But the common-law privilege would in most cases still be allowed him, of refusing to answer any question, if the answer could expose him to punishment for a crime.

The power to compel an answer is given to the commissioners, by authorizing them to issue a writ or warrant, and commit a recusant to jail for contempt, as a common-law court could do.

At common law, any kind or amount of preference of one or more creditors over others was, as we have seen, valid. That is, the law required of a debtor to pay his debts; but permitted him to pay any debt at his own election, although by such an appropriation of his means he could pay no part of any other. As, however, the general purpose of the insolvent laws is to secure an equal division of all the assets among all the creditors, for this purpose they avoid any payment, assignment, or transfer which would have, or was intended to have, the effect of favoring a part of the creditors at the expense of the others.

There is, however, an obvious difficulty in applying this rule. If a trader, as is usually the case, passes gradually into a state of insolvency, almost any creditor, who has the good fortune to be paid in full, gains an advantage over the rest, and reduces the means of the insolvent, to their injury. A line, however, must be drawn somewhere. If any transfer or appropriation of property be made with fraudulent intent at any time, and this fraud is known to the transferee, the transfer itself is void at common law. But, as was said, the mere intention of giving to a creditor priority or preference is not fraudulent. And the national law contained, and most, if not all, our insolvent laws contain, a provision defining a period of time *prior* to which any transfer of property from a bankrupt, provided there was no fraud on his part with the knowledge and connivance of the assignee, is valid; but any assignment or transfer or payment after that period, if made by the bankrupt in contemplation of bankruptcy or insolvency, is void, however innocent or ignorant the assignee. In the national law this period was two months; it differs in the different States, but is about the same time generally.

In computing this time, it is said that the day on which the transaction took place, or the day on which the petition is filed, must be excluded. In legal computations of time, generally, the law knows no fractions of a day. But in the application of the insolvent laws, the very hour is in-

quired into. The reason of this, or at least its justice, is obvious. If one's rights depend upon whether he has lain in prison two months, or whether a certain thing was done more or less than two months before another, or whether a petition was filed under a law before that law was repealed or not, it is as proper to ascertain the exact time, as it is when there is a question whether an attachment of land or a record of a conveyance was first made. This has been denied in some cases, but not, we think, on good grounds.

It would seem that this question of fraudulent preference should stand upon the same footing as questions of fraud generally. It is a mixed question of fact and of law; and so far as it depends upon law, or upon construction, the court may decide it, and the parties have a right to have it decided by the court. But so far as it rests upon proof, or is to be inferred from evidence direct or circumstantial, it would seem to be a question of fact, upon which a jury might pass.

It may be remarked in this connection, although also true without reference to the laws of bankruptcy or insolvency, that if one purchases of another property, either real or personal, for its full value, and pays the price in money, it is still a fraudulent and void transaction, *if* the purchaser did it with intent to aid the seller in defrauding his creditors. And in this case the sale is wholly void, and the assignee of the seller, if he goes into bankruptcy, will recover the property, although the sale take place before the limited period above referred to.

The very important influence of bankruptcy or insolvency in extending the lien of a seller, so that he may reclaim his goods, unless they have come into the actual possession of the insolvent, or, in other words, the right which insolvency gives to the seller of stopping the goods *in transitu*, was fully considered in the article on Stoppage in Transitu. This right depends of course upon insolvency, but not necessarily upon legal and formal, or, as it is sometimes called, notorious insolvency.

THE BANK OF THE NETHERLANDS.*

Every one who has read Adam Smith's *Inquiry* knows something about the Bank of Amsterdam, an establishment which stopped payment in 1795. With the present state of banking in Holland, however, scarcely any one in this country is fully acquainted. A little information on this subject may therefore prove acceptable to our readers.

The Bank of Amsterdam was simply a bank of deposit, and for this reason did not issue any notes. In fact, no bank in Holland ever issued notes before the year 1814, when the so-called "Bank of the Netherlands" was established by Royal Charter, with a capital of £416,666, divided into 5,000 shares of £83 each.

Small as this capital was, and though the Dutch Government alone took one thousand shares, a year after the Bank had commenced its

* See the London *Economist*, January 7, 1865.

operations no more than £200,000 had been subscribed, and it lasted another year before the subscriptions amounted to the £416,666 required. This disinclination on the part of the public to invest their money in the Bank is easily explained. Bank notes at that time were quite unknown in Holland, and the only knowledge people could get on the subject was rather unfavorable than otherwise. It is to be remembered that in 1814 the Bank of England had not resumed payment in gold. So the notes of the new establishment were not readily taken by the public, and, as a matter of course, capitalists were unwilling to invest their money in a concern which was not trusted by the public. Besides, there is another reason why it was very long before the Bank could issue a large number of notes. At that time no Dutch firm of high standing would have thought of discounting a bill. Discount was considered as the last means by which a man, when hard up, could avoid bankruptcy. Accordingly, the Bank had very little to do, and could only gradually increase its business.

The capital being small and all transactions being conducted in a very prudent way, the Bank succeeded, however, in making some profits. In 1815, a dividend was declared of 5.84 per cent. on 2,445 shares, in 1816, of 6 per cent. on 5,000 shares, and in 1819, 10.39 per cent. was paid to the shareholders. Owing to this circumstance the Bank could increase its capital by £416,666, which was at once subscribed by the public. The circulation of notes then amounted (31st of January) to £833,333.

Of course our readers do not want us to trace the history of the Bank in all particulars up to the present date. The few details we gave may be sufficient. The distrust with which the bank notes were received by the public compelled the Directors to be as prudent as possible. Looking more to the future than to high profits at once, they constantly kept a large metallic reserve, very often equal to 100, and very seldom under 70 or 80 per cent. of their cash liabilities. Even in the midst of the crisis of 1857, their proportion never fell below 59 per cent. The following figures may give an account of the progress of the Bank :—

Date.	Capital, including Reserve.	Deposits.	Circulation.	Bullion.
March 31, 1815.....	£208,333	£905,000	£150,000	£333,333
" 1825.....	875,000	1,100,333	1,205,000	1,666,666
" 1835.....	891,666	1,425,000	2,022,500	2,145,000
" 1845.....	1,437,500	1,645,833	3,087,500	3,585,833
" 1855.....	1,432,500	1,327,500	7,713,333	8,564,166
May 9, 1864.....	1,533,333	2,620,000	9,941,666	7,196,666

The original charter of the Bank had been given for 25 years, and consequently expired on the 31st of March, 1839. A second charter was then granted, rather similar to the old one, though a little more liberal. So, for instance, the curious restriction which did not allow the Directors to raise the rate of discount beyond 5 per cent. was removed. It was also permitted them by this charter to discount promissory notes and to advance money on foreign stocks, which they had never done before. On the other hand, the Bank was ordered to establish a branch at Rotterdam. It is very odd that this order has never been carried out till this year. It has been constantly deferred, and nobody seems to have made any objection.

This second charter was granted for twenty-five years, and, as the first one, simply by a Royal ordinance, without any interference of Parliament. Very little was said in the newspapers on the subject. Everybody seemed to be perfectly satisfied with the management of the Bank, and nobody wished to adopt any other system than that which existed.

When, however, the Bank Charter expired again, all this had changed a little. A good many people were dissatisfied with the Bank. They taxed the Directors with over-prudence, and with not rendering all those services to the public which they might render. They professed not to know why free competition should be admitted in every department of trade, and not in banking. Indeed, competition had never been excluded even there *in theory;* there existed no law or ordinance preventing any bank or private person from issuing notes. Yet, *practically*, the Bank did possess a monopoly, because all other notes, except their own, were required to be stamped. Now, this monopoly, it was argued, ought to be done away with. So, in order to give fair play to discussion, the Government decided upon having the question settled by Parliament. A Bill was introduced, by which it was proposed that no Company or private individual should henceforth be permitted to issue notes, unless authorised to do so by a special Act. At the same time this permission was proposed to be granted to the Bank of the Netherlands. This Bill was strongly opposed. It was said that such a regulation would practically strengthen the monopoly of the Bank, instead of abolishing it. Still, after a very warm debate, the Bill was passed by both Houses by a large majority. Since then a year has elapsed, and no other permission to issue notes has yet been granted, nor would any one think of making a request for that purpose, because the Dutch Parliament would be sure to refuse. The general feeling in Holland is very much opposed to free competition in this matter.

Nor is it unnatural that this feeling should exist. The Bank of the Netherlands may be charged with over-prudence; it is admitted by all parties that this is about the only fault it ever committed. The large metallic reserve it keeps may be detrimental to the interests of shareholders; but it cannot be denied that in bad times this very reserve always enabled the Bank to give every sort of facilities to trade. To this it must be ascribed in part, that most commercial crises have nowhere made so few victims as in Holland. Every merchant always knew, that however large the drain of bullion might be, there always was money to be had on good security,—either of bills, stocks, or merchandise,—at the Bank. Every reader of this journal knows how the Bank of England managed before and during the crisis of 1847. After having kept the rate of discount as low as 3 and 3½ per cent. till the beginning of 1847, they raised it to 5 per cent. in April, 6 per cent. in August, and 8 per cent. in October, whilst in the beginning of that month no other but 14 days' bills were discounted, and all advances on stocks absolutely refused. This state of things lasted till the Act of 1844 was suspended. Everybody knows that. Well, how did the Bank of Holland act during the same period? It raised its discount to 4 per cent. as early as September, 1845, and in November of that same year to 5½ per cent. This rate was maintained, with few alterations, till April, 1847, when it was lowered to 4½ per cent., though in November it had to be raised again to 6 per cent.

This, however, was the highest rate charged, and during the crisis all sorts of facilities were granted to the public, as usual, still more so than in ordinary times. The same thing happened once more in 1857. The discount was raised before the crisis commenced, and during that year the highest rates were 7 per cent. for bills of exchange and 7½ per cent. for promissory notes. In fact, as long as the Bank has existed, 7½ per cent. has been the highest rate of discount.

We give these details merely to account for the strong feeling which exists in Holland in favor of maintaining the monopoly, not as an argument to prove that this feeling is right.

As to the operations of the Bank, they are very simple:

1st. The Bank keeps the deposits of the Government. These are nearly all the deposits it receives, for it is not the custom in Holland to keep an account with a bank. Everybody keeps his money in his own safe. This is explained by the circumstance that the Bank allows no interest whatever on deposits, and would probably charge a commission for collecting bills, &c.

2nd. The Bank discounts bills and promissory notes. For the latter, ½ per cent. per annum is charged extra, as a rule.

3rd. The Bank advances money on securities, either of stock or merchandise. For the former the minimum, for the latter the maximum, rate is usually charged.

The first of January, 1865, the account of the Bank stood thus:

LIABILITIES.		ASSETS.	
Capital	£1,333,333	Bills discounted	£4,066,956
Reserve	200,000	Loans on merchandise and stock	2,623,989
Circulation	8,173,113	Bullion	6,307,406
Deposits	3,255,495	Sundry accounts	44,195
Sundry accounts	259,218	Invested reserve	178,613
	£13,221,159		£13,221,159

The legal proportion between the bullion and the cash liabilities of the Bank is not regulated by Act of Parliament. It is fixed by a Royal ordinance and may be changed any moment, if necessary. It is at present 2 to 5. According to this the Bank might issue now about £12,500,000. Having issued only £8,166,666, the present stock of notes is about £4,333,333, which is called rather a low figure, as in April it amounted to £6,375,000. Still it is a great deal better than two or three months ago, when it fell to £3,333,333. The rate of discount was then raised to 7 per cent. It has since been lowered to 6 per cent. for bills of exchange and 6½ per cent. for promissory notes.

As stated before, the Bank has no branches anywhere. By the law of December, 1863, however, it is bound to have one in Rotterdam (which was to be opened on the 1st of January, 1865), and to establish agencies in all the principal places in the country. This measure has been taken in order to avoid the blame that the Bank only serves for Amsterdam, and does nothing for the provinces.

COMMERCIAL CHRONICLE AND REVIEW.

STRINGENCY IN MONEY MARKET AND THE CAUSES—RECEIPTS OF THE TREASURY DURING DECEMBER—INTERNAL REVENUE—MEANS AT THE DISPOSAL OF THE TREASURER—THE TEN-FORTY LOAN—ABILITY OF GOVERNMENT TO PAY INTEREST IN GOLD—THE TARIFF MUST BE MODIFIED—CUSTOMS, TAXES, REVENUE AND LOANS THE PAST YEAR—INTEREST TO JULY AND CERTAIN RECEIPTS—THE TARIFF PROHIBITORY—FAILURES THE PAST YEAR—GOLD MARKET—EXPORTS OF PRODUCE, AND THE EFFECT OF TAXES AND PAPER PRICES—IMPORTS AND EXPORTS FOR NINE MONTHS.

THERE has been a continued stringency in the money market during the past month, mostly due to the necessities of the Treasury Department, which, with large arrears outstanding, due to the public creditors, has been a large borrower upon gold stocks, thus absorbing a considerable amount of capital at a time when there is a demand for capital to put into new National Banks, and when the State Banks, which are mostly making preparations to merge into the National system, are more chary of loans. The close of the year, bringing with it a settlement of general accounts, also conduces to greater stringency. These leading, with many minor causes, have sufficed to maintain the price for money fully up to the legal rate. It is very apparent that while the Government continues to be a borrower of capital at the rate of $2,500,000 per day, for non-productive purposes, that the rate of interest must continue to increase, unless temporarily checked by the dilution of the currency through greater issues of legal-tender and National Bank notes. This process enables the Government to get a greater amount of money, on seemingly easier terms, but it gets less capital, or purchasing power, for the same ultimate payment. It, in fact, pays more for capital, by engaging to pay gold for paper borrowed. The operations of the Treasury, for the month of December, were as follows:

Received from five-twenty bonds	$25,000,000 00
Received from temporary loan	2,836,533 27
Received from ten-forty bonds	33,042,250 00
Received from seven-thirties	16,581,550 00
Received from internal revenue	20,249,983 10
Received from hospital money, etc.	22,000 00
Received from fractional currency issued	108,902 45
Total Receipts, December	$97,841,218 82

Thus the sales of gold interest stock formed a large item in the amount obtained. and the 7.30 bonds, although not immediately bearing interest in gold, are convertible after three years into gold-bearing stock. The receipts from the internal revenue were at the rate of $240,000,000 per annum, but this amount included a considerable part of the extra 5 per cent tax on the income of 1863. The negotiation of the 5 per cent 10-40 bonds was kept open until the 7th of January, up to which time $80,000,000 additional had been negotiated, leaving about $40,000,000 of the authorized amount ($200,000,000) unsold. There also remains about $140,000,000 of the gold stock authorized by the act of June, 1864, unsold. This, with a sum of $60,000,000, still unissued, of the 7.30 paper

loan, constitute all the means at the disposal of the Treasury, with the exception of the one year certificates, to which there is no limit. In the early part of December, the National Banks and Treasury agents took about $40,000,000 of the 10-40 5 per cent stock. It was then urged upon the Secretary to stop the sale by the Treasury until the public had absorbed that amount. This he hesitated about doing until the close of the month, when the following notice appeared:

"TREASURY DEPARTMENT, December 23, 1864.

"Notice is hereby given that the ten-forty loan will be withdrawn on the 7th day of January next. No subscriptions, therefore, will be received after that date.

"W. P. FESSENDEN, Secretary of the Treasury."

The stringency of the money market, no doubt, prevented the rapid absorption of the stock, and the time for the payment by instalments was extended to facilitate the operation. To hold these stocks required a good deal of capital, and some of the National Banks adopted the plan of lending on the stock. It is apparent that the working capital of the country is finding its way out of productive employments by realization of effects in paper, and a reinvestment in the Government gold stocks. It is very apparent, however, that the ability to pay those stocks in gold is approaching a limit, unless some change is made. The dependence of the Treasury for gold, to meet the interest, is upon the gold derived from customs. The amount which may be so derived, it is evident, is the limit of the amount of interest which can be paid, unless the Government comes into the market as a purchaser. Under these circumstances, the clear necessity exists to make the revenue the sole object in levying duties. This, unfortunately, has not been the case. On the contrary, the tax seems to have been imposed far more with a view to protection of home manufacturers than to benefit the National Treasury. The result has been that while the amount of interest due on the debt has been increasing, the revenue from customs has been decreasing, mostly for the reason that the rates being doubled last May, at a time when the price of gold began to rise, they became prohibitory in their character.

The report of the Assistant Treasurer for this port for the past year gives the following leading heads of revenue:

	Loans.	Internal Revenue.	Customs.
January	$37,463,896	$2,275,409	$6,179,605
February	15,696,350	1,438,578	7,483,511
March	7,878,037	1,452,522	7,670,092
April	6,947,938	1,764,305	14,658,573
May	5,184,612	1,179,966	3,908,058
June	60,582,650	865,851	3,348,010
July	8,243,736	972,734	3,641,382
August	6,091,422	1,022,969	6,272,002
September	8,292,261	1,220,966	4,118,210
October	14,465,967	774,144	3,697,335
November	10,300,614	733,552	3,487,561
December	28,598,253	924,461	3,467,369
Total	$209,655,531	$14,625,397	*$67,926,708

* These returns of the customs receipts do not agree with the later returns which we give in our review of the Trade and Commerce of New York.

The column of customs is the most important. It will be remembered that last year the imports were considerable, and the entries were large, under threats of higher duties; and when the law passed for the duties to be doubled in May, the quantities taken out of bond were very large, making receipts of $35,991,781 from January 1 to May 1. Those duties represent a very large amount of goods taken out of bond and put upon the market at lower rates of duties; and these goods have been supplying the market ever since. The amount of duties in the last eight months has been only $31,035,927, or about 90 per cent of the revenue of the first four months.

The duties of the last eight months being at much higher rates, represent a much smaller amount of goods. The supplies have been less to meet the demand, and the quantities now in bond are inconsiderable. The imports at the same time will be small, and it is not probable that more than one-third as much gold will be taken for customs this year as last, up to May. The amount of gold now in the Treasury is small. The interest payable between this and July is as follows:

	Amount.	Interest.
March 1, 10-40s	$200,000,000	$5,000,000
May 1, 5-20s	575,838,500	17,275,655
July 1, 5-20s	335,232,290	10,000,000
Total	$1,111,170,792	$32,275,655

Thus, between now and July as much must be paid for interest as has been collected in duties during the past eight months.

The receipts of gold at this port in six months, from January to July, and from July to January, as compared with the rest of the Union, are as follows:

	New York.	Other Ports.	Total.
January to July	$43,147,849	$10,978,620	$54,126,469
July to January	24,778,859	6,120,210	30,899,069
Total	$67,926,708	$17,098,830	$85,025,538

Thus, in the last six months, the receipts for the whole Union are less than the interest that accrued in that time. The balance of gold left over from the large revenue of last Spring was in great part thrown away by Mr. CHASE in the mad policy of putting down the price of gold.

The interest on the public debt has increased as follows:

May to November, 1864	$28,110,000
November to May, 1865	33,000,000

This comprises only the amount of debt payable at this time, and does not include the issue of the remaining amounts authorized, nor the conversion of outstanding paper bonds into gold stocks. To maintain the amount of revenue it is apparently necessary to reduce the rate of taxation in order that the present prohibitory operation of the duties may be modified, and so permit of greater receipts. The effect of the duty upon the cost of goods is greatly exaggerated by the depreciation of the currency. Thus a certain description of woolens pay sixty per cent tax in gold, and the same article of home manufacture pays five per cent in paper. The effect is as follows:

Premium cost		$1.00
Premium on exchange	127	
Gold duty	60	
Gold duty premium	76	
Total tax		2.63
Cost imported goods		$3.63

The tax on the home made article of the same description is only five cents per dollar. As soon, therefore, as the duty becomes prohibitory the Treasury loses 60 cents gold due to the public creditors, and gets only five cents in paper. The national credit demands the prompt revision of this system, under which business of all kinds is languishing, and the substitution of one which will give the greatest amount of revenue with the least obstruction to commerce.

The prices of the leading Government stocks are as follows:

PRICES UNITED STATES PAPER.

	6's, 1881. Reg.	6's, 1881. Coup.	5's, 1874.	6 per ct., 5-20's.	5 per ct. 10-40's.	6 per ct. 1 year certif.	Gold. price.
Dec. 31,....	111¼	110¼	100	108¼	101¼	96⅝	229½ a 229¾
Jan. 7,....	111¼	111¼	100	109	102	96⅝	227 a 227½
" 14,....	112¼	112¼	102	110	102⅝	98	217¾ a 221
" 21,....	111	110	99	108⅝	101¼	97½	197½ a 206
" 28,....	110¼	109½	98⅝	108⅞	100¾	98	113¾ a 220

The last quotation in London, January 14, for the 5-20's was 45⅛ a 45⅜. The highest quotation during the month was 46. In addition to other causes for diminished business activity, or rather non-revival of the usual spring trade, has been the conviction that Mr. FESSENDEN would return to the Senate. What policy a new Secretary might pursue it is impossible to surmise, since the administration has no decided policy. The conduct of the department hitherto has been one of daily shifts and expedients. Frequently at variance with well settled principles of economical science, and therefore entirely outside the calculations of the most sagacious.

The effect of the unstable paper currency in checking the credit system, and forcing cash transactions upon the business community, is very apparent in the returns made of the number of failures, and the amount of their liabilities, in the past few years, as follows:

	Number.	Liabilities.		Number.	Liabilities.
1857.....	4,257	$265,818,000	1861.....	5,935	$178,632,170
1858.....	3,113	73,608,747	1862.....	1,652	23,049,300
1859.....	2,059	51,314,000	1863.....	495	7,899,000
1860.....	2,733	61,730,477	1864.....	510	8,579,700

The year 1857 was the panic year, and in 1861 the war, by cutting off resources, caused a considerable amount of distress, but the curtailment of credits has since given a very effectual check to that class of mercantile evils. The gold market during the month has been very unsettled. The taking of Savannah caused a temporary fall in the price from 236 to 211¼, but the rate at once recovered under the demand for export and the purchases of those who had operated for a fall. Since then the success at Fort Fisher and the various peace rumors which have been current, have caused continued fluctuations.

The exports of general merchandise from the port are on a very limited scale as compared with former years. The exports of breadstuffs to Great Britain and the Continent this year since September 1, are as follows:

	Flour.	Wheat.	Corn.
1861	1,232,535	16,710,383	4,985,430
1862	394,928	12,399,804	3,273,813
1863	402,650	4,937,981	239,459
1864	54,995	1,228,333	56,938

In this return we have the exact figures to indicate the ratio of decline in our foreign trade. The value of these exports for the four months embraced in the figures, according to the Liverpool price in gold, is as follows:

1861	$42,500,000	1863	$8,909,042
1862	27,842,090	1864	1,850,819

Thus the trade is nearly extinguished. This is due, no doubt, as well to the good harvests of England and Western Europe as to the deranged state of our currency here. The latter cause will, however, continue to act with ever increasing force, because the cost of producing wheat here is enhanced by the higher prices of all the farmer consumes. For instance, it adds to the cost of labor, the cost of transportation, the amount of commissions and interest, and above all, to the taxes, local, State, and federal. These are all no doubt paid in paper, but they enhance the cost upon the exported wheat in proportion to the price of gold. Breadstuffs are not articles of monopoly, like cotton, for which the American article commands the markets of the world; but is one in which the sharpest competition exists, and that of the United States having further to go at greater cost of transportation, maintains its footing only with difficulty while it is not subjected to taxation.

The following table shows the quarters of wheat imported into Great Britain for the past nine months of 1864, with the value in pounds sterling. Wheat is now entered in Great Britain by the hundredweight, instead of measure. The quantity bought of the United States, including California, was about 40 per cent of the whole purchase, at prices rather less than those paid other countries. Thus the cost of Prussian wheat was 10s. 4d. per cwt., while that of the United States was 9s. 4d.:

Wheat—From	Quantity, cwt.	Value.
Russia	2,825,463	£1,214,911
Prussia	3,616,145	1,836,528
Denmark	853,056	373,223
Mecklenburg	466,392	235,635
Hanse Towns	465,647	208,451
France	481,073	233,499
Turkey and Wallachia	377,646	162,632
Egypt	366,860	153,324
United States	7,100,042	3,342,849
British North America	824,806	365,547
Other countries	346,203	159,223
Total	17,723,333	£8,335,552

It follows that if the United States wheat is to go loaded with taxes and extra

expenses; that of other countries will have the entire market, and that the untaxed crops of Canada will successfully compete with those of the United States.

This reduction in the quantities exported, as a matter of course, reduces the supply of bills, and those who are required to remit for sugar and other merchandise avail themselves of a fall in gold to make those remittances, and the fall is thereby checked. On the other hand, much of the gold paid out by the Government is sold, and the Banks also, which are making arrangements to convert their business from State to federal authority, are also selling gold. Dealing in gold, both buying and selling, has become a very important institution in this country. The amount collected by the Federal Government last year through the purchase of importers was $102,316,152, or very nearly $2,000,000 per week. One-half of that amount was paid out for interest, and found its way again to the brokers, and the other half was sold by the Treasury in the open market. Thus the Government operation, in collecting, paying, and selling, amounts to $200,000,000 per annum, at the same time the importers bought in addition $50,000,000 to remit in payment of goods, and about $12,000,000 arrived from California. It is evident from these facts that gold dealing is a leading business, and employs a great number of brokers. It was, however, of a troublesome and hazardous nature, since the gold in bags had to be passed from hand to hand, at more or less risk. For this reason it was determined to make a common depository at the Bank of New York of the gold held, and to transfer it from hand to hand by orders. The amount of gold so deposited was in the first week of January about $1,200,000. There was beside a good deal of gold deposited with other Banks by customers for safe keeping, and in some cases did not enter into the returns of the Banks. The gold movement was comparatively as follows:

Specie in banks and Sub-Treasury December 1	$28,961,268
Received from California in December	2,205,619
Imported from foreign ports in December	114,976
Gathered in from hoards in December	4,876,964
Supply	$36,158,827
Exported in December	6,104,377
Leaves in banks and Sub-Treasury, January 1, 1865	$30,054,450

The demand for gold for the payment of goods has been less because of the diminished imports. It will be borne in mind, however, that a large amount of goods was taken out of bond in April last to avoid the double duties imposed in May. Those goods have gradually found their way to the shelves of jobbers and retailers, and have been remitted for by the importers. There has also been more demand for remittance, in consequence of the purchases by the Bank of France during the recent stringency strain. The imports and exports of gold and silver to and from Great Britain during the first ten months of 1862, 1863, and 1864, compare as follows:

IMPORTS.

	1862.	1863.	1864.
Gold	£16,164,465	£16,272,909	£13,847,154
Silver	8,616,611	8,481,084	9,515,536
Specie imports	£24,781,076	£24,753,993	£23,362,690

		EXPORTS.	
Gold	£12,208,069	£12,399,087	£10,438,672
Silver	9,782,415	8,941,354	8,676,842
Specie imports	£21,990,484	£21,340,431	£19,115,514
Imports exceed exports	2,790,592	3,413,562	4,247,176

The production of gold in California has been in the past year scant on account of the great drouth which has prevailed there. That has now passed away, and copious rains give promise of the greatest abundance.

The Custom-House has at last succeeded in bringing up its statement of imports and exports to the conclusion of September. The following are the imports at New York from foreign ports, for July, August, and September, 1864 :

	July.	August.	September.
Entered for consumption	$6,382,923	$6,603,653	$4,390,114
Entered for warehouse	14,954,635	10,437,478	5,258,568
Free goods	917,684	936,474	832,557
Specie and bullion	128,052	245,258	58,220
Total entered at port	$22,383,299	$18,223,463	$10,539,459
Withdrawn from warehouse	3,386,873	7,967,843	6,852,329

The following comparison shows the imports of foreign merchandise at this port for the first nine months of the last four years :

	1861.	1862.	1863.	1864.
January	$26,827,411	$12,020,829	$15,739,576	$18,977,394
February	16,841,707	13,872,140	12,027,846	21,643,937
March	18,204,351	18,719,866	18,930,895	23,667,119
April	14,886,393	13,252,822	17,885,315	26,168,631
May	14,949,281	14,248,521	14,324,923	23,975,144
June	12,649,733	12,836,195	12,597,516	20,926,314
July	14,938,851	20,353,202	16,003,677	22,383,299
August	8,885,928	14,304,843	15,038,129	18,223,463
September	7,305,461	18,147,917	15,499,940	10,539,459
Total	$134,989,116	$137,856,395	$137,547,817	$189,504,760
Cus. revenue same period	15,856,132	42,276,882	42,323,075	56,870,920

It is to be remembered that the imports are represented in gold figures ; while the exports are entered in currency figures. The following are the exports from New York for the months of July, August, and September, 1864 :

	July.	August.	September.
Domestic produce	$26,251,673	$26,617,850	$15,595,543
Foreign free	249,404	126,537	848,742
Foreign dutiable	5,137,460	2,231,782	2,460,138
Specie and bullion	1,947,329	1,001,813	2,835,398
Total exports	$33,585,866	$29,977,982	$21,739,826
Total export of specie	31,638,587	28,976,169	18,904,428

The following will show the exports, quarterly, exclusive of specie, for the first nine months of each of the last four years :

	1861.	1862.	1863.	1864.
First quarter	$33,477,742	$32,075,568	$50,615,908	$41,429,755
Second quarter	33,123,489	29,798,344	41,046,726	48,446,686
Third quarter	30,176,918	45,313,299	38,825,587	79,519,134
Nine months	$96,777,149	$107,187,211	$130,487,221	$169,395,576

The re-exports of foreign goods for the nine months of 1864, included in the above total, amount to $1,582,348 of free, and $13,961,235 of dutiable, making a total of $15,543,583 reshipped to a foreign market, three times the quantity reshipped for the same period of the previous years.

The following comparison gives the total imports and exports for the first nine months of the last four years:

Nine months of	Total imports.	Total exports.
1861	$134,989,116	$99,956,963
1862	137,856,395	150,030,350
1863	137,547,817	163,333,715
1864	189,504,760	204,332,287

TRADE AND COMMERCE OF THE PORT OF NEW-YORK.

RECEIPTS AND EXPORTS OF DOMESTIC PRODUCE—EXPORTS OF DOMESTIC COTTONS—REVIEW OF PETROLEUM TRADE—WHOLESALE PRICES AT NEW-YORK FOR SIX YEARS—IMPORTS OF MERCHANDIZE OTHER THAN DRY GOODS—IMPORTS OF DRY GOODS—RECEIPTS OF CUSTOMS.

We have prepared the following review of the Trade and Commerce of New-York, for 1864, giving also, for comparison, the figures for previous years:

MOVEMENTS OF DOMESTIC PRODUCE.

The table we give below, showing the receipts of domestic produce, exhibits the same features as last year—a falling off in most cereals, oats in fact being about the only exception. In 1863 the arrivals of oats doubled in quantity, and again, this year, there is a further increase of nearly two million bushels, while the receipts of Indian corn have fallen off from 20,725,166 bushels in 1861 to 7,164,895 in 1864. Nor has this been made up in meat provisions, as might have been, and was by many, expected.

The table of exports, which will be studied with even greater interest, shows still less encouraging results. Our wheat and corn exports, in 1861, compare as follows with 1864:

	1861.	1864.
Wheat, bush., exported	28,889,914	12,198,433
" flour, bbls. "	3,110,646	1,918,593
Corn, bush. "	12,456,265	846,831

To the table of exports, however, should be added Petroleum, of which 34,792,972 gallons have been shipped from the United States, the past year, against 28,250,721 gallons in 1863, as will appear from the review of the trade given in another part of this article. The following are the receipts and exports of domestic produce referred to above:

RECEIPTS OF CERTAIN ARTICLES OF DOMESTIC PRODUCE AT THE PORT OF NEW YORK FOR FOUR YEARS.

	1861.	1862.	1863.	1864.
Ashes.....bbls.	19,983	19,287	17,181	15,778
Breadstuffs—				
Wheat flour.....	4,968,971	5,384,872	4,574,059	3,967,717

	1861.	1862.	1863.	1864.
Corn meal	98,519	251,319	252,729	267,759
Wheat ..... bush.	28,429,135	29,280,629	17,937,856	13,453,135
Rye	775,665	957,729	439,567	491,915
Oats	4,852,009	5,435,016	11,076,035	12,952,238
Barley	1,854,301	1,865,615	2,143,485	2,544,391
Peas	310,398	211,140	267,490	231,562
Corn	20,725,166	18,548,799	14,243,599	7,164,895
Cotton ..... bales	243,122	103,585	129,611	190,911
Naval stores—				
Crude Turpentine ..... bbls.	32,254	3,404	3,547	6,760
Spirits turpentine	46,097	8,950	4,663	4,139
Rosin	198,772	38,978	11,187	19,128
Tar	49,506	7,345	11,795	6,964
Pitch	2,367	2,938	1,087	3,000
Provisions—				
Pork ..... pkgs.	138,770	377,819	426,981	332,454
Beef	119,028	276,346	206,519	209,664
Cut meats	105,885	329,265	463,995	268,417
Butter	539,284	668,842	518,537	551,153
Cheese	988,718	853,655	798,070	756,872
Lard ..... tcs. and bbls.	126,942	397,431	400,928	186,000
Lard ..... kegs.	60,305	89,838	41 144	16,104
Whisky ..... bbls.	311,019	364,791	261,814	289,481

EXPORTS FROM NEW YORK TO FOREIGN PORTS OF CERTAIN LEADING ARTICLES OF DOMESTIC PRODUCE FOR FOUR YEARS.

	1861.	1862.	1863.	1864.
Ashes—pots ..... bbls.	13,608	9,502	9,146	8,847
Ashes—pearls	3,507	1,580	1,264	1,593
Beeswax ..... lbs.	238,553	122,349	170,230	465,667
Breadstuffs—				
Wheat flour ..... bbls.	3,110,646	2,961,518	2,527,338	1,918,593
Rye flour	11,807	8,397	5,461	2,840
Corn meal	108,385	132,606	140,561	105,142
Wheat ..... bush.	28,839,914	25,564,755	15,424,889	12,193,433
Rye	1,000,405	1,104,549	416,869	588
Oats	160,825	210,669	126,556	42,135
Barley	3,927	42,061	52,439	150
Peas	139,284	113,819	110,911	186,154
Corn	12,456,265	12,020,848	7,533,431	846,831
Candles ..... bxs.	93,315	138,595	125,587	121,742
Coal ..... tons	36,536	80,884	53,718	53,417
Cotton ..... bales	152,562	24,400	13,945	26,765
Hay	15,776	48,674	19,986	40,825
Hops	28,377	33,409	25,409	22,077
Naval Stores—				
Crude turpentine ..... bbls.	21,571	17	22	770
Spirits turpentine	18,825	788	884	433
Rosin	208,061	18,200	4,172	2,207
Tar	26,646	4,601	3,184	1,771
Pitch	3,090	906	1,634	2,955
Oils—whale ..... galls.	1,196,468	1,554,359	269,634	421,931
Oils—sperm	1,030,328	756,173	510,648	1,366,159
Oils—lard	110,401	710,885	803,469	129,529
Oils—linseed	35,626	35,640	17,344	79,244
Provisions—				
Pork ..... bbls.	116,654	171,302	192 903	130,672
Beef	29,013	32,977	41,632	36,548
Beef ..... tcs.	33,924	27,765	62,868	49,299
Cut meats ..... lbs.	50,565,732	145,102,758	183,519,060	93,800,258

	1861.	1862.	1863.	1864.
Butter	23,159,891	30,603,285	28,060,799	14,174,861
Cheese	40,041,225	39,200,489	40,781,168	49,755,842
Lard	47,290,409	126,651,091	120,881,862	53,436,128
Rice...tcs.	15,867	701	182	4
Rice...bbls.	15,527	12,143	12,044	20,673
Tallow...lbs.	25,820,335	43,866,920	43,487,731	31,987,976
Tobacco—crude...pkgs.	116,598	113,575	107,439	161,404
Tobacco—manufactured...lbs.	3,152,484	1,598,044	3,542,210	5,250,014
Whalebone	975,075	1,191,907	259,185	509,646

EXPORTS OF DOMESTIC COTTON.

The following table giving the exports of domestic cottons for the year, with the destination of the various shipments, will be found very useful. At the close we have added the total clearances from Boston to foreign ports during the same period. It will be seen that the exports for the last year have been very small. This of course must continue so long as prices are so high. More than two-thirds of the shipments for the year have gone to Mexico:

EXPORTS OF DOMESTIC COTTONS FROM THE PORT OF NEW YORK TO FOREIGN PORTS.

	1859.	1860.	1861.	1862.	1863.	1864.
Mexico...pkgs.	2,475	4,673	2,766	2,427	1,886	849
Dutch West Indies	531	664	569	84	9	2
Swedish West Indies	..	47	38	..	..	..
Danish West Indies	696	952	522	316	29	1
British West Indies	227	497	537	165	149	24
Spanish West Indies	366	193	374	140	66	86
St. Domingo	977	2,196	1,257	484	63	12
British North America	78	10	60	23	16	..
New Granada	967	1,381	2,005	609	350	83
Brazil	3,637	8,103	5,400	953	86	4
Venezuela	919	1,328	1,421	141	32	9
Argentine Republic	903	1,111	480	145	13	2
Cisplatine Republic	..	..	..	..	19	8
Central America	55	53	23	1	1	6
West Coast South America	6,806	13,294	5,299	1	..	2
Honduras	259	389	245	12	5	4
Africa	323	1,406	876	49	11	24
Australia	135	323	180	3	..	..
East Indies and China	53,663	47,785	31,911	137	5	7
All others	1,793	1,792	1,823	47	30	8
Total	74,549	86,318	55,736	5,977	2,776	1,132
" from Boston	32,661	33,588	18,146	4,238	422	264

PETROLEUM.

Notwithstanding the Petroleum interest has apparently attracted a very large amount of capital during the past year, still the quantity produced has not increased. For instance the total amount taken for consumption at New York, and exported from New York, Boston, &c., during 1863 and 1864, was as follows:

	1863.	1864.
Exported from New York...bbls.	488,690	533,394
Taken for consumption in New York	314,481	242,187
Total—New York	803,171	775,567

Boston—exported	51,285	42,307
Philadelphia "	134,693	194,003
Baltimore "	22,896	23,249
Portland "	8,552	1,769
Total	1,020,747	1,036,915

We thus see no material change. There are several reasons for this. In the first place it should be remembered that the increase of capital, the past year, actually employed in producing Petroleum, is not so great as at first sight might be supposed. Very many companies, to be sure, have been formed, and of large nominal capital, but very few of them have their stock all taken up, and much of the money that has been paid in, has been given to those organizing the companies for the land they have purchased, while another large portion of it is paid out in commissions. But, besides this, very little of the land upon which the new companies are based has, as yet, been developed. It requires time to accomplish much in that way. The coming year, however, must show the effect of these new investments. Thus far, production has not kept pace with the growing demand, and prices, therefore, have ruled high.

The following table, from the *Shipping List*, shows the exports of Petroleum during the past three years:

EXPORT OF CRUDE AND REFINED (INCLUDING NAPTHA, ETC.), FROM NEW YORK, FOR THE YEARS 1864, 1863 AND 1862.

	1864. Gallons.	1863. Gallons.	1862. Gallons.
To Liverpool	734,755	2,156,851	1,781,377
London	1,430,710	2,576,351	1,133,899
Glasgow, &c.	368,402	414,943	24,181
Bristol	29,124	71,912	—
Falmouth, E.	316,402	626,176	—
Grangemouth, E.	—	425,334	—
Cork, &c.	3,310,362	1,532,257	299,350
Bowling, E.	87,164	—	195
Havre	2,324,017	1,774,390	791,221
Marseilles	1,982,075	1,167,893	135,765
Cettee	4,800	—	200
Dunkirk	232,803	—	2,700
Dieppe	79,581	46,000	61,692
Rouen	—	143,646	—
Antwerp	4,149,821	2,692,974	823,090
Bremen	971,905	903,004	452,522
Amsterdam	77,041	436	—
Hamburg	1,186,080	1,486,155	229,384
Rotterdam	532,926	757,249	16,988
Gottenburg	33,813	—	81,960
Cronstadt	400,376	88,060	—
Cadiz and Malaga	58,474	33,284	—
Tarragona and Alicante	16,823	33,000	—
Barcelona	25,500	—	—
Gibraltar	89,181	308,450	157
Oporto	17,474	2,239	—
Palermo	7,983	57,115	3,990
Genoa and Leghorn	679,603	399,674	21,000
Trieste	165,175	8,000	—
Alexandria, Egypt	4,000	—	—
Lisbon	167,195	64,662	—

	1864. Gallons.	1863. Gallons.	1862. Gallons
Canary Islands	3,368	5,125	1,295
Madeira	——	490	480
Bilboa	2,500	——	——
China and East Indies	34,338	36,942	3,970
Africa	25,195	12,330	655
Australia	377,384	304,165	233,622
Otago, N. Z.	10,810	5,500	7,850
Sydney, N. S. W.	97,880	48,013	113,750
Brazil	149,676	160,152	54,967
Mexico	112,986	69,481	18,616
Cuba	418,034	356,436	213,680
Argentine Republic	20,260	24,470	7,390
Cisplatine Republic	78,552	117,626	13,217
Chile	92,550	66,550	17,898
Peru	169,061	256,407	56,011
British Honduras	6,072	440	——
British Guiana	7,881	15,104	9,396
British West Indies	70,976	60,931	18,888
British North America Colonies	28,902	16,995	2,942
Danish West Indies	8,463	31,503	4,102
Dutch West Indies	26,638	12,148	7,117
French West Indies	16,020	9,104	2,382
Hayti	7,088	12,064	4,856
Central America	993	456	1,764
Venezuela	28,583	15,455	1,094
New Grenada	57,490	107,837	37,058
Porto Rico	20,026	59,439	25,244
Total	21,335,784	19,547,604	6,720,213

TOTAL EXPORT IN 1864, 1863 AND 1862.

	1864.	1863.	1862.
From New York,.....gallons	21,335,784	19,547,604	6,720,278
From Boston	1,696,307	2,049,431	1,071,100
From Philadelphia	7,760,148	5,395,738	2,800,972
From Baltimore	929,971	915,666	174,830
From Portland	70,762	342,082	120,250
Total export from the United States..	31,792,972	28,250,721	10,887,701

There was also exported, from Cleveland direct to Liverpool, 80,000 gallons refined.

WHOLESALE PRICES OF FOREIGN AND DOMESTIC PRODUCE AT NEW YORK.

We also present our annual comparative statement of the wholesale prices at this port of the leading articles of foreign and domestic produce. There are few, even of those who are engaged in the trade, who can remember the changes in price from year to year, and this table will, therefore, be found very useful for reference.

We give the prices, January 3d, of each of the last six years:

	1860.	1861.	1862.	1863.	1864.	1865.
Ashes, pots.....100 lbs.	$5 12½	$5 00	$6 25	$8 50	$8 50	$11 75
Pearls	5 57½	5 00	6 25	8 25	9 75	13 00
Breadstuffs—						
Wheat flour, State ...bbl.	4 30	5 35	5 50	6 05	7 00	10 00
Wheat, best extra Genesee	7 50	7 50	7 50	8 75	11 00	13 00

	1860.	1861.	1862.	1863.	1864.	1865.
Rye flour, "	4 00	4 00	3 87½	5 45	6 65	9 00
Corn meal, Jersey.....	3 90	3 15	3 00	4 00	5 65	8 80
Wheat, white Gen...bush	1 50	1 45	1 50	1 60	1 80	2 60
White Michigan	1 50	1 45	1 50	1 53	1 83	2 70
White Ohio	1 45	1 45	1 48	1 53	1 83	2 60
White Southern.....	1 45	1 45	1 52	....	....	2 75
Red Western.....	1 30	1 38	1 42	1 48	1 57	2 45
Chicago Spring.....	....	1 18	1 30	1 33	1 48	2 22
Rye, Northern.....bush.	92	75	83	96	1 30	1 75
Oats, State.....	46½	37	42	71	93	1 06
Corn, old Western.....	90	72	64	82	1 30	1 90
Corn, new Southern.....	80	72½	68	86	....	....
Cotton, mid. upland .....lb.	11	12½	35½	68½	82	1 20
Mid. New Orleans.....	11¼	12¼	36	68	..	1 21
Fish, dry cod .....qtl.	4 50	3 50	3 50	4 50	6 75	9 00
Fruit, bunch raisins.....box	2 52	1 75	3 20	3 50	4 00	5 85
Currants... ....lb.	6	4½	9	18 a 13½	15	21
Hay, shipping .....100 lbs.	1 00	90	77½	85	1 45	1 55
Hops .....lb.	16	25	20	23	33	40
Iron, Scotch pig.....ton	24 50	21 00	23 00	33 50	45 00	63 00
English bars	53 00	52 00	57 00	77 50	90 00	190 00
Laths... .....per M.	2 00	1 30	1 25	1 45	1 50	2 40
Lead, Spanish .....ton	5 65	5 25	7 00	8 00	10 50	15 00
Galena.....	5 77½	5 50	7 12½	8 00	10 50	16 00
Leather, hemlock, sole...lb.	30	10½	20½	27	30	42
Oak.....	30	27	28	33	42	52
Lime, com. Rockland....bbl.	75	75	65	85	1 35	1 15
Liquors, brandy, cognac..gal.	3 26	2 00	4 00	5 25	..	....
Domestic whisky.....	26	19½	20½	39	94	2 24
Molasses, New Orleans..gal.	53	37	53	55	70	1 43
Naval stores, crude turp.bbl.	3 43½	2 75	10 00	..	..	....
Spirits turpentine ....gal.	44½	35	1 47½	2 60	2 95	2 10
Common rosin, N. C...bbl.	1 65	1 25	6 00	10 50	30 00	28 00
Oils, crude, whale .....gal.	52	51	48	83	1 10	1 48
Crude, sperm.....	1 40	1 40	1 40	1 75	1 60	2 13
Linseed.....	57	50	86	1 27	1 47	1 50
Provisions—						
Pork, old mess .....bbl.	16 37½	16 00	12 00	14 50	19 50	43 00
Pork, old prime	11 75	10 50	8 50	12 50	14 50	36 25
Beef, city mess.....	9 00	6 00	5 50	12 00	14 00	20 50
Beef, repacked Chicago..	9 50	9 00	11 00	13 00	15 00	23 00
Beef hams, extra.....	14 50	14 00	14 50	15 50	18 30	27 00
Hams, pickled.....lb.	9½	8	6	8	11	20
Shoulders, pickled	6½	5½	4⅝	5⅝	8½	18
Lard.....	10½	10⅝	8⅝	10	13	23
Butter, Ohio.....	16	14	15	22	24	45
Butter, State.....	20	18	19	22	29	55
Butter, Orange County...	24	22	22	25	32	63
Cheese	11	10	7	12	15½	20
Rice, good.....100 lbs.	4 20	4 00	7 00	8 75	10 00	13 00
Salt, Liverpool, ground.sack	1 15	65	86	1 25	1 85	2 27
Liverpool, fine, Ashton's..	1 95	1 60	1 70	2 15	2 80	4 75
Seeds, clover.....lb.	8½	8⅝	7½	10⅝	12½	27
Sugar, Cuba, good.....	7⅛	6½	8½	10	12	19
Tallow.....	10½	9⅝	9⅝	10⅝	12	18
Whalebone, polar.....	90	88	76	1 65	1 60	2 25
Wool, common fleece.....	40	30	50	60	75	95

The rise in prices, as compared with last year, extends to every article upon the list, except some productions of the Southern States, and is very strongly

marked with regard to all articles of food. If we make the comparison with the year 1860, there will be found to be a rise of about one hundred and fifty per cent.

IMPORTS OF MERCHANDISE OTHER THAN DRY GOODS.

The following is our usual table showing the quantities and values (invoiced specie values) of foreign imports (other than dry goods and specie) the past year. The figures for 1862 and 1863 may be found in volume 50, page 136 :—

FOREIGN IMPORTS AT NEW YORK FOR 1864.

[The quantity is given in packages when not otherwise specified.]

	Quantity.	Value.
Alabaster ornaments	459	$6,914
Baskets	7,969	116,485
Bags	..	179,422
Boxes	12	22,968
Bricks	..	4,452
Buttons	1,649	415,863
Building stone	3	17,496
Burr stones	..	17,773
Clay	..	51,533
Cheese	1,728	59,207
China, Glass and Earthenware—		
Bottles	..	24,856
China	6,509	348,737
Earthenware	37,341	1,205,473
Glass	191,462	382,109
Glassware	9,647	181,540
Glassplate	3,224	425,524
Graphite	..	834
Cigars	..	788,237
Coal.....tons	245,361	693,268
Corks	..	230,159
Chronographs	2	837
Cotton.....bales	76,085	11,157,449
Clocks	116	14,107
Cocoa..... bags	8,103	155,966
Coffee..... bags	764,983	14,543,955
Drugs, &c.—		
Acids	2,401	14,107
Alkali	563	8,598
Aloes	72	7,493
Alum	382	8,077
Aluminous cake	90	4,279
Ammonia carb	9	881
Ammonia	847	46,645
Ammonia sal	235	19,697
Ammonia sulph	61	5,127
Annatto	2,040	17,755
Aniline colors	..	137,238
Arrowroot	1,062	12,464
Asphaltum	189	2,976
Argols	1,645	220,386
Assafœtida	..	4,134
Arsenic	214	2,811
Bark, Peruvian	6,288	267,525
Balsam Tolu	421	3,197
Bismuth	22	12,578
Blea powders	29,271	433,090
Brimstone	7,946	224,218
Barytes	110	408
Castor oil	550	6,690
Camphor	4,377	114,818
Camomile	..	1,572
Cantharides	10	5,749
Cardamoms	..	3,419
Carmine	12	3,988
Chalk	22	1,895
Cream tartar	674	150,487
Chicory	5,555	88,746
Cochineal	1,430	243,430
Cubebs	338	19,284
Cudbear	1,117	91,186
Cutch	711	3,306
Divi Divi	..	1,533
Dye stuffs	..	1,283
Flor sulphur	..	8,011
Gentian root	..	1,585
Gambier	30,906	246,244
Gum arabic	4,503	225,221
Gum crude	9,422	198,732
Gum copaiva	1,369	61,567
Gum coroni	4,611	85,413
Gum copal	303	4,782
Gum gedda	50	1,174
Gum tra'canth	38	522
Glue	4	230
Indigo	4,056	706,806
Iodine	106	23,684
Iodine pot	181	22,088
Ipecac	162	49,696
Insect powder	..	2,223
Isinglass	..	1,183
Jalap	90	12,331
Lac dye	340	15,220
Leeches	124	6,761
Licorice root	11,372	48,433
Licorice paste	11,246	363,893
Madder	4,516	810,066
Magnesia	693	12,037
Manna	121	8,902
Morphine	..	1,427
Muriate potash	..	1,273
Nutgalls	..	1,542
Nitrate soda	..	298,904
Nitrate silver	..	1,823

	Quantity.	Value.
Oils, unspec.....	993	89,798
Oil, cod.....	81	4,275
Oil, cocoanut.....	137	8,716
Oil, ess.....	2,277	170,830
Oil, linseed.....	1,956	161,128
Oil, olive.....	50,069	202,851
Oil palm.....	593	33,923
Oil sperm.....	700	5,740
Opium	557	311,087
Orchilla weed....	97	16,746
Orange peel.....	..	4,327
Paints.....	..	435,763
Paris white	421	1,925
Potash bitch.....	14	2,286
Persian berries ...	..	3,112
Potash chlo.....	518	17,473
Potash hyd.....	76	7,577
Phosphorus	415	20,079
Plumbago.....	..	97,928
Pruss. potash....	51	8,090
Quinine.....	440	65,032
Quicksilver	1,295	134,198
Reg. antimony...	1,162	70,947
Rhubarb.....	142	8,844
Safflower	15	4,632
Safflower ext....	13	3,744
Saltpetre.....	..	122,091
Sarsaparilla.....	1,553	35,929
Scammony.....	4	7,203
Senna.....	25	2,587
Shellac.....	2,006	87,392
Soda, bicarb.....	68,959	206,823
Soda, sal.....	21,552	109,874
Soda, caustic....	7,176	151,949
Soda, ash.....	26,398	680,056
Soda, hyd. sulph.	..	817
Sponges.....	950	47,468
Sugar of lead....	572	31,640
Sulph. morphia...	..	1,290
Sumac	34,430	151,087
Velonia	..	791
Tonqua beans ...	83	11,070
Ultramarine.....	..	1,776
Vanilla beans....	78	29,485
Verdigris	..	5,320
Vermillion.	530	48,395
Worm seed.....	..	4,041
Yellow ochre....	4,271	14,634
Yellow berries...	..	7,455
Drugs, unspec....	..	217,939
Emery	1,070	15,202
Fancy goods.....	..	1,749,028
Fans.....	..	12,613
Feathers.....	..	284,601
Fire crackers.....	..	41,847
Fish	..	502,472
Flax.....	2,698	115,016
Flour.....	..	5,074
Furs, &c.—		
Felting.....	564	21,306
Hatters' goods...	1	746
Furs	4,966	2,053,780
Fruits—		
Bananas	..	41,963
Citron.....	..	70,911
Currants.....	..	189,772
Dried fruits	..	15,510
Dates	..	3,178
Figs	..	24,462
Lemons.....	..	199,579
Nuts.....	..	637,127
Oranges	..	437,043
Pine-apples	..	61,508
Plums.....?	..	60,078
Prunes	..	58,196
Raisins	..	373,244
Sauces and pres.	..	158,417
Grapes.....	..	2,440
Furniture	158	16,736
Grain	..	155,936
Grindstones	..	16,004
Gunny cloth.....	2,342	51,562
Guttapercha	7,089	47,016
Guano.....	920	7,218
Hair.....	2,686	379,598
Hair cloth.....	279	131,517
Hemp.....	113,880	1,533,949
Honey	3,752	127,798
Hops	..	17,448
India rubber..... ..	27,742	1,196,781
Ivory	148	37,637
Instruments—		
Chemical	25	1,948
Mathematical....	32	9,695
Musical..... ...	1,783	229,224
Nautical.....	6	835
Optical.....	263	95,975
Surgical....	30	7,575
Jewelry, &c.—		
Jewelry	621	726,949
Watches.....	798	1,450,166
Leather, Hides, &c.—		
Boots and shoes..	213	25,506
Bristles..... ...	695	181,812
Hides, dressed...	3,504	1,157,663
Hides, undressed.	..	5,829,337
Horns	..	12,412
Leather, pat.....	65	34,347
Liquors, Wines, &c.—		
Ale	6,976	68,445
Brandy.....	16,202	574,878
Beer	1,752	14,610
Cordials.....	2,212	17,192
Gin.....	7,018	31,315
Porter.....	4,166	35,088
Rum.....	1,260	60,958
Whisky.....	875	58,020
Wine.....	255,001	1,615,365
Champagne	102,744	656,965
Metals, &c.—		
Brass goods.....	277	41,471
Bronze metal....	..	50,754

	Quantity.	Value.
Bronzes	34	9,934
Chains and A	8,428	531,772
Copper	..	689,048
Copper ore	..	355,563
Cutlery	3,025	1,157,424
Gas fixtures	48	4,402
Guns	3,927	219,756
Hardware	4,464	578,094
Iron, hoop, .. tns	4,197	228,464
Iron, pig ....tons	50,050	803,788
Iron, railroad. bars	579,148	3,687,970
Iron, sheet...tons	5,451	383,975
Iron tubes	47 440	148,408
Iron, oth....tons	64,022	3,427,850
Lead, pigs	474,437	2,682,319
Lead ore	..	32,595
Metal goods	4,338	474,116
Nails	2,871	57,919
Needles	347	147,335
Nickel	284	124,168
Old metal	..	392,050
Plated ware	47	14,079
Platina	33	96,554
Percussion caps	302	64,261
Saddlery	172	53,383
Steel	107,946	2,012,197
Spelter .....lbs.	7,422,486	336,540
Silver ware	22	8,097
Tin plates ...bxs.	440,635	2,904,646
Tin slabs, lbs	2,367,441	556,778
Wire	2,634	49,332
Zinc.....lbs.	7,296,435	370,675
Lith. stone	..	3,689
Machinery	2,222	213,836
Lamps	..	2,285
Marble & mfd. do	..	94,269
Matches	67	1,895
Macaroni	11,314	17,346
Molasses	117,236	3,496,790
Oil paintings	466	209,482
Oakum	210	2,455
Onions	..	10,167
Paper hangings	313	30,456
Pearl shells	..	5,342
Perfumery	919	103,756
Personal effects	21	202,602
Plaster	..	20,709
Pitch	60	560
Pipes	..	208,047
Potatoes	..	90,080
Provisions	..	215,289
Rags	27,261	648,054
Rice	..	591,775
Rope	..	42,137
Quarts rock	..	3,750
Rosin	1,767	56,788
Sago	365	2,616
Salt	..	448,199
Shells	..	1,501

	Quantity.	Value.
Seeds unspec'd	..	145,457
Castor seed	13,384	40,817
Linseed	217,959	914,447
Soap	58,856	150,676
Spices—		
Cassia	..	12,254
Cinnamon	..	2,678
Cloves	..	78,170
Ginger	..	53,972
Mustard	..	12,140
Nutmegs	..	78,617
Pepper	..	286,394
Pimento	..	39,090
Stationery, &c.—		
Books	3,040	327,716
Engravings	292	89,309
Paper	3,755	236,790
Other stationery	1,526	181,640
Statuary	..	85,074
Sugar, hhds. bbls & tcs	203,517	12,988,667
Sugar, boxes & bags	279,627	2,950,089
Tar	19,326	106,278
Tapioca	3,209	17,824
Teazles	40	2,240
Trees and plants	..	24,946
Thistles	..	1,377
Tea	604,972	8,172,072
Twine	775	24,842
Toys	8,348	427,346
Tobacco	28,932	625,472
Tomatoes	..	2,826
Turpentine	297	2,431
Turpentine spirits	4,118	294,824
Waste	15,879	586,808
Whalebone	..	61,844
Wax	..	23,159
Woods—		
Box wood	..	1,886
Brazil wood	..	6,406
Camwood	..	240
Cedar	..	211,067
Cork	..	68,148
Ebony	..	5,817
Fustic	1,862	32,332
Lima wood	..	16,635
Lignumvitæ	76	12,886
Logwood	54,829	330,937
Mahogany	..	84,356
Palm leaf	..	79,508
Ratan	..	91,542
Rosewood	..	139,532
Sapan wood	..	2,960
Spruce	..	8,608
Willow	..	26,809
Other woods	..	103,456
Wool, bales	115,724	9,428,409
Other miscellan	..	52,583
Grand total		$133,472,764

We repeat the above values, for 1864, of a few of the leading articles, for

the sake of showing the comparative imports during each of the last four years.

IMPORTS OF A FEW LEADING ARTICLES OF GENERAL MERCHANDISE AT NEW YORK, FROM FOREIGN PORTS, FOR THE YEARS 1861, 1862, 1863, 1864.

	1861.	1862.	1863.	1864.
Books	$346,279	$376,607	$371,430	$327,716
Buttons	88,557	162,452	176,443	415,862
Cheese	56,152	60,155	47,957	59,207
Chinaware	190,511	210,968	268,218	348,737
Cigars	1,064,228	1,012,162	608,403	788,237
Coal	964,527	901,311	808,456	693,268
Coffee	11,865,082	8,517,284	7,796,635	14,543,955
Earthenware	587,574	887,322	1,067,477	1,205,473
Furs	771,889	1,435,518	1,912,166	2,053,780
Glass plate	277,622	176,512	363,459	425,524
India rubber	705,782	992,348	1,407,536	1,196,781
Indigo	1,449,990	2,083,180	713,730	706,806
Leather and dressed skins	943,355	1,278,688	1,087,266	1,157,662
Undressed skins	3,379,271	5,134,345	5,966,395	5,329,337
Liquors—				
Brandy	514,949	477,213	261,234	574,378
Metals—				
Copper	903,966	670,478	574,286	689,043
Iron, bars	1,054,718	1,301,010	2,457,575	3,427,850
Iron, pigs	378,058	203,375	397,916	803,788
Iron, railroad	398,536	500,419	1,484,973	3,687,970
Iron, sheet	127,631	329,461	270,576	383,975
Lead	534,584	3,075,313	1,520,519	2,682,319
Spelter	30,079	135,195	204,710	336,540
Steel	1,125,014	1,602,391	2,063,842	2,012,197
Tin and tin plates	2,334,766	4,174,651	3,975,605	3,461,424
Zinc	64,403	228,332	228,210	370,675
Molasses	1,136,094	1,562,904	1,928,598	3,496,790
Rags	374,075	285,926	1,288,431	648,054
Salt	511,156	550,161	373,725	448,199
Saltpetre	381,370	336,439	392,849	122,091
Sugar	14,847,000	14,727,598	14,534,579	15,938,756
Tea	6,455,408	8,676,245	6,796,102	8,172,072
Watches	576,971	861,710	920,522	1,450,166
Wines	739,080	860,710	1,198,283	2,272,330
Wool and waste	2,380,941	6,860,609	9,035,557	10,015,217

IMPORTS OF DRY GOODS.

We also give below the imports of dry goods the past year. These values are likewise the invoice specie values. To know the cost to the country in our currency it is necessary to add the freight and duty (payable in gold,) and then double the whole:

IMPORTS OF DRY GOODS AT NEW YORK.

Description of goods.	1860.	1861.	1862.	1863.	1864.
Manufactures—					
Wool	$34,975,011	$16,720,931	$25,718,592	$29,703,956	$31,411,965
Cotton	18,415,258	7,192,524	8,501,512	7,913,957	8,405,246
Silk	35,582,035	13,334,411	11,568,807	15,534,469	16,194,080
Flax	8,952,812	3,580,303	7,666,946	10,381,059	11,621,831
Miscellan. dry goods	6,901,984	2,808,520	2,665,370	3,731,106	3,956,630
Total imports.	$103,927,100	$43,636,689	$56,121,227	$67,274,547	$71,589,752

We annex a summary of the imports of dry goods, by months, in each of the last five years:

TOTAL IMPORTS OF DRY GOODS AT NEW YORK.

Months.	1860.	1861.	1862.	1863.	1864.
January.....	$11,770,005	$10,956,857	$2,965,952	$5,269,181	$9,184,814
February.....	13,880,683	6,782,936	5,344,514	5,027,857	9,437,454
March.....	9,022,403	5,836,076	6,471,901	9,204,581	12,635,127
April.....	4,865,743	2,767,645	3,296,498	4,884,007	5,220,245
May.....	5,581,598	2,489,823	2,944,483	3,612,511	6.081,186
June	5,535,042	1,205,382	3,535,102	2,901,423	4,801,703
July.....	12,797,213	1,476,887	5,628,014	4,713,365	6,762,750
August	14,989,044	3,536,333	8,707,710	8,316,878	7,529,800
September ...	6,740,185	2,102,064	6,185,193	5,892,712	4,147,449
October	5,327,907	1,971,541	3,865,798	6.509,783	2,996,100
November	5,797,556	2,506,926	3,710,857	6,071,208	2,235,107
December.....	7,709,721	2,004,219	3,466,405	5,371,041	1,558,567
Total	$103,927,100	$43,636,689	$56,121,227	$67,274,547	$71,589,752

The imports of dry goods for each year since 1849, may be seen by the following table:

IMPORTS OF FOREIGN DRY GOODS AT NEW YORK.

	Invoiced value.		Invoiced value.		Invoiced value.
1849.....	$44,435,575	1855.....	$64,974,062	1861.....	$43,636,689
1850.....	60,106,371	1856.....	93,862,893	1862.....	56,121,227
1851.....	62,846,731	1857.....	90,534,129	1863.....	67,274,547
1852.....	61,654,144	1858.....	60,154,509	1864.....	71,589,752
1853.....	93,704,211	1859.....	113,152,624		
1854.....	80,842,936	1860.....	103,927,100		

RECEIPTS OF CUSTOMS AT NEW YORK.

The revenue at the port for 1864 shows a gain of about eight millions over the corresponding figures for the previous year. The following is a comparative summary:

	1860.	1861.	1862.	1863.	1864.
Jan ...	$3,899,166 17	$2,059,202 33	$3,351,657 22	$4,127,906 82	$6,180,536 09
Feb ...	3,378,043 28	2,528,736 83	3,565,063 83	3,590,713 97	7,474,027 93
March..	3,477,545 74	2,489,026 25	4,626,862 86	4,554,460 13	7,659,770 47
April..	2,444,267 96	1,643,261 99	4,149,952 36	3,957,197 57	13,982,555 60
May...	2,466,462 76	979,145 14	4,704,914 62	3,873,865 42	3,855,186 46
June ..	2,024,193 39	885,062 41	4,664,927 19	3,738,934 06	3,311,148 43
July....	4,504,066 04	2,069,590 86	7,211,817 68	4,912,718 49	3,585,848 44
August.	4,496,243 10	1,558,824 11	4,762,581 54	6,206,735 58	6,237,364 17
Sept ..	3,038,803 28	1,642,382 43	5,239,045 50	7,270,543 65	4,084,492 54
Oct. ..	2,632,078 38	1,672,616 84	4,309,419 87	6,238,943 46	3,670,188 38
Nov...	1,794,748 67	1,851,384 73	3,003,270 23	5,075,846 24	3,455,156 53
Dec ...	1,171,862 74	2,334,847 38	2,664,593 82	5,248,189 03	3,440,852 67
Total..	36,027,481 51	21,714,981 30	52,254,116 72	58,886,054 42	66,937,127 71

We would refer our readers to the Commercial Chronicle and Review of last month for the movements in specie, prices of United States paper and of gold, and the rates of exchange for the year 1864. Those tables, together with the foregoing, will afford a complete summary of the commercial movements at the port of New York the past twelve months. The official returns showing the total imports and exports have not yet been made up. We give, however, the figures for the first nine months in the Commercial Chronicle and Review of this month.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

CONVERSION OF STATE BANKS INTO NATIONAL—FURTHER OPPOSITION TO NATIONAL BANKS USELESS—SHOULD BE ADMITTED INTO THE CLEARING-HOUSE—CIRCULATION AND CONDITION OF BANKS OF THE THREE CITIES AT END OF THE YEAR—BANKS OF THE STATE OF MAINE.

We referred in previous numbers to the inevitable conversion of the great majority of the State Banks into National Banks, and this process is now going rapidly on. The official reports of Massachusetts show that of 181 Banks in this State, 52 have become national associations, 47 more have filed papers, and the remainder are looking forward to change, while 25 new ones have been started. In New York the same process is being developed, and an act has been introduced in the Legislature to authorize and facilitate the conversion. The desire for change seems to seize the stockholders strongest where the existing Banks hold the most gold and have the most surplus. These two items to be divided up, hold out a tempting bonus, and in many cases will allow the stockholder his shares in the new institutions as profits. These shares in the new Banks, however, will probably not be very valuable, since all cannot have the Government deposits, or do a large business in loaning to the Government, and general business is by far too much reduced from the old credit system to allow a large share to multiplied Banks. It is also the case that many of the old Banks are large holders of Government stocks, bought with their depositors' money, and which, in case the latter should demand it, they would find it difficult to pay off under the State system. Under the national system, however, they can deposit the stock with the Comptroller, and obtain as many notes as will pay the depositors without disturbing their investments. It is true these national notes are not legal tender generally, but are so between the public and the Government, and, as at present, almost all business is done with the Government, that faculty will suffice. The Banks are not required to pay specie in any event, and there will therefore be no incentive to require the notes to be paid in legal tender. These considerations are the leading ones in bringing about the change that is being made, and it is very apparent that it is only another stage on the road to insolvency. The New York Bank Superintendent in his report states in relation to the national law, "its essential features are," as he expresses it, "transcrips from the banking laws of New York applied to a wider theatre of operations."

This seems to be a strange misconstruction of the law. The constitution of the State of New York, (art. viii., sec. 5,) declares that—

"The Legislature shall have no power to pass any law sanctioning in any manner, directly or indirectly, the suspension of specie payments by any person, association, or corporation issuing bank notes of any description."

Under this provision the Banks are required to deposit New York State stocks to an amount which will always bring sufficient to pay the notes issued in *specie*. The national law requires only that the notes shall be paid in *paper*. When a Bank obtains notes on pledge of stock, and fails, the New York law requires the stock to be sold for *specie*, with which the notes shall be redeemed. The

United States law only requires the stock to be sold for *the dishonored notes* themselves. The Comptroller has, however, a clear sense of the evils at hand. He remarks:

"The system has in some measure the attraction of novelty, and is buoyed up by the gratuitous bestowment of currency, the receipt and payment of these notes in all governmental operations, and the prospect of deposits by the collectors and disbursers of public revenue. Few seems to take cognizance of the fact that it comes into existence on a wave of public expenditure such as has never been witnessed in this, and, with a single exception, in no other country; that it is floated upon an ocean of irredeemable paper, whose ebb and flow no human intellect can regulate, or whose currents and quicksands no intelligence can fully determine. Without waiting for the return of the business of the country to its normal condition—ignoring the lessons taught by the great revulsion which followed the war of 1812–15, and which has crowned every inordinate expansion of paper credit—our people, having arrived at the conclusion that the congressional system of banking promises profitable results, rush into it with all the impetuosity inherent in our national character."

Some of the best of the State institutions will not adopt the new system, and the public will one day see the wisdom of their course, and thank them for it. Often have we stated in these pages the perils that attend this new banking experiment. Not a word would we now change. We firmly believe that the result will be a disasterous failure, and yet we cannot conceive that any good will be accomplished by further opposing it. Let it now be tried without opposition from any quarter. From time to time we shall notice its defects, especially as they are more clearly developed, and hope to see them modified. The right to flood the country with their circulation, at the present time, will, we trust, be taken away from them and from the State institutions; then let them run their course. There is much discussion just now about their being admitted into the New York Clearing-house. This would necessitate a change in its constitution, but should not, in our opinion, be delayed. Let every applicant stand on its own merits, and, if on examination of its affairs it be found a safe associate, let it be admitted. There are objections to this course to be sure; but we must come to it sooner or later—so why longer hold out?

With the conversion of the State Banks into National Banks, it will be borne in mind that the State stocks held will be sold. Nearly all the New York debt is held by the Banks, and will be put upon the market. The New York State Bank capital has been reduced $1,951,199 in the past year, and the circulation as follows:

The total number of circulating notes issued and outstanding on the 30th of September, 1863, was.....	$42,192,645
On the 30th of September, 1864, it was	40,118,635
Decrease of circulation within the year.....	$2,074,010

The circulation of the National Banks has considerably increased the outstanding amount of notes. The weekly returns will show the general movement of all the Banks. The loans have fluctuated with the movements of the Government transactions, and the specie has generally declined to the amount owned by the Banks, which has been about $20,000,000 since July. Latterly, however, many of the Banks have begun to dispose of their specie, while the Bank of New York, (having become a common depository for the gold dealers,) has to

some extent, increased the amount it holds. The deposits of the Banks were at their lowest point in January last year, when money was very dear and the Treasury had not begun to issue its new legal tender notes; after that event the deposits rose to over $174,000,000 in June, and subsequently fell to $144,000,000 in September. They are now low, under a state of affairs, as connected with the Treasury, similar to that of last year. We are compelled to omit the previous returns for the year; but they will be found in the January number:

NEW YORK BANKS.

NEW YORK BANKS. (*Capital, Jan.*, 1864, $————; *Jan.*, 1865, $69,658,737.)

Date.	Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
Dec. 24,..	$203,512,093	$20,600,441	$3,383,346	$153,805,909	$593,336,137
" 31,..	199,444,969	19,662,211	3,283,332	147,442,071	471,039,253
Jan. 7,..	195,044,687	20,152,892	3,183,526	147,821,891	535,055,671
" 14,..	189,686,750	21,357,608	3,074,029	148,931,299	538,780,682
" 21,..	187,060,586	20,211,569	2,979,851	146,068,355	611,194,907
" 28,..	169,502,680	18,174,316	2,906,194	143,842,230	656,828,378

The returns of the Philadelphia Banks show a line of loans $10,000,000 higher than in January last year. The increase has taken place mostly since their determination to merge into the new law. The specie also declined from $4,153,000 to $1,803,000, that not being requisite. The deposits of the new Banks have greatly increased since their adhesion to the national system. The returns are as follows:

PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan.*, 1863, $11,740,080; 1862, $13,313,880.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Dec. 17,...	$46,460,087	$1,943,143	$2,871,579	$39,168,580	.....	.....
" 24,...	47,406,491	1,830,635	2,516,063	39,643,010	.....	.....
" 31,...	48,059,403	1,803,583	2,793,468	39,845,963	$7,462,222	$3,786,553

The returns of the Boston Banks show the most remarkable fluctuation. There has been a steady contraction since the beginning of the year, under preparations for merging in the new law. The results of the State Banks are as follows:

BOSTON BANKS.

BOSTON BANKS. (*Capital, Jan.*, 1863, $38,231,700; *Jan.*, 1865, $22,350,000.)

Date.	Loans.	Specie.	Circulation.	Deposits.	Due to banks.	Due from banks.
Dec. 17,..	$45,092,121	$3,691,228	$7,897,227	$23,124,821	$5,470,000	$11,306,500
" 24,..	45,746,230	3,936,311	7,731,981	23,222,391	5,470,000	11,431,291
" 31,..	46,312,700	3,434,300	7,767,000	23,086,800	5,689,000	11,452,800

The State Banks of Maine report as follows their business for the years 1863 and 1864:

LIABILITIES.

	1863.	1864.		
Capital	$8,008,000	$6,785,000	dec.	$1,222,400
Circulation	6,019,156	7,042,093	inc.	1,032,937
Deposits	6,421,005	5,120,762	dec.	1,310,243
Bank balances	118,020	258,042	inc.	140,022
Profits	759,859	965,566	inc.	205,707
Immediate liabilities	2,558,181	12,430,897	dec.	127,284

RESOURCES.

Loans	$14,983,609	$15,167,320	inc.	$183,711
Real estate	245,846	195,222	dec.	50,624
Bills of other banks and checks	1,047,979	1,281,413	inc.	233,434
Bank balances	4,370,562	3,015,961	dec.	1,351,601
Specie	678,043	522,146	dec.	155,897
Immediate resources	6,096,584	4,819,520	dec.	1,277,064
Number of banks	69	50	dec.	19
Overdue paper	761,492	612,249	dec.	149,243
Estimated loss on same	111,856	95,146	dec.	16,210

The savings institutions report as follows:

In 1860 the deposits were			$1,466,457 56
In 1861	"	"	1,620,270 26
In 1862	"	"	1,876,165 18
In 1863	"	"	2,641,476 41
In 1864	"	"	3,672,975 85

The current of money which set towards Paris and London, on the raising of the rate of interest by those institutions, had continued to fill the reservoirs up to the latest dates, and had been followed by further reductions in the Bank rates. The leading cause that underlies the money difficulties of the Paris, as well as the London markets, is the Indian cotton, the value of which, imported into Great Britain in nine months of the year, has been as follows:

	1862.	1863.	1864.
Value	$58,603,825	$126,293,450	$205,809,975

This doubling process is going on without any corresponding increase in exports to meet it. The strain upon silver and gold is, therefore, steadily augmenting, and must be felt here, where the supply is reduced, with great force.

In December, this operating cause lost much of its vigor, by reason of accounts from this side leading to the conviction that, in consequence of the steady march of events in America, the destruction of the Confederate Government may within a comparatively short space of time take place, control the disposition to speculate in cotton, and prevent the employment of any materially greater sum of money in its purchase abroad.

This feeling induced a diminished operation in cotton, and less demand for remittances to Asia, and therefore helped to strengthen the Bank. The returns of which are as follows:

THE BANK OF ENGLAND RETURNS.

Date.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 7,...	20,118,116	6,468,544	12,666,764	28,726,674	13,840,691	7 per ct.
" 14,...	19,669,832	7,161,719	12,267,474	28,301,608	14,122,711	6 "
" 21,...	19,669,007	7,694,616	12,927,867	29,326,027	14,307,760	6 "
" 28,...	19,810,455	8,601,125	13,040,643	30,708,083	14,100,974	6 "

The increase of specie in the Banking Department has been steady. The reduction of the rate of interest was, however, more rapid in Paris than in London. Although the Bank of France has put down the rate in order to mitigate the pressure upon French merchants, she does not in any degree remit the close scrutiny upon all kinds of bills or the rigor with which are rejected all such as are likely to send money out of France.

The influence of the price of money upon the flow of the metals is very marked. The rate of interest was put up to 8 per cent October 20, and was again lowered November 30. The effect upon the Bank returns was as follows:

	Loans.	Specie.
October 20.... .....francs	621,458,240	250,423,737
November 30.....	564,370,793	327,718,612
Reduction.....	57,087,447	
Increase		77,295,075

Thus the loans were contracted $11,000,000, and the specie increased nearly $16,000,000. A portion of this increase was due to the purchases by the Bank, said to have been $10,000 000 or 50,000,000 francs, of which a considerable portion was sent hence. This is a system which is, in effect, borrowing in London. Thus, if the agent of the Messrs. ROTHSCHILD here draws upon the London house at sight, and sells for gold what is shipped to France, it is, in fact, London which has lent the money to Paris, and, on the maturity of the bills, Paris must pay London, and she expects to do so when the spring business shall have turned the current of exchange.

From November 30th the specie continued to accumulate to December 22d, when it stood at $364,000,000 francs, a rise of 50 per cent in 60 days, without any increase in the loans, which were kept down notwithstanding the low price of money by the severe rule applied to the paper to be passed. The returns are as follows:

BANK OF FRANCE.

	Loans.	Specie.	Circulation.	Deposits.	Interest.
December 8	fr.566,921,053	fr.355,640,597	fr.722,291,475	fr.178,968,028	5
" 15	586,521,733	351,562,024	739,383,125	161,270,492	5
" 22	561,603,376	364,008,378	721,487,475	153,193,515	4½
" 29	597,157,880	359,969,767	726,212,275	171,321,867	.

The contest which has been some time in progress in relation to the Bank of Savoy, which claimed the right under its new organization to issue circulating notes, has been decided against that institution. The exclusive power to issue notes being confined to the Bank of France.

GRAIN TRADE OF THE UPPER LAKES.

THE grain trade of the upper lakes is of such magnitude as to challenge the attention of commercial men and statesmen, and they will be glad to obtain, through your pages, the leading items of this trade for the year 1864, just passed.

The three leading ports which gather in and export most of the breadstuffs of the great interior plain that seek a market eastward, are Chicago, Toledo, and Milwaukee.

The following table, taken from the reports of the several boards of trade of the cities named, will be found substantially reliable:

RECEIPTS OF FLOUR AND GRAIN AT THREE LAKE PORTS, FOR THE YEAR 1864.

	Flour, bbls.	Wheat, bu.	Corn, bu.	Oats, bu.	Rye, bu.	Flour reduced to wheat, bu.
Chicago ...	1,141,791	11,257,196	13,623,087	13,653,941	1,709,562	45,952,741
Toledo	1,052,479	6,907,243	1,035,222	441,417	110,838	18,757,115
Milwaukee.	280,874	9,120,255	473,309	1,051,953	287,490	12,337,697
	2,475,144	27,284,694	15,131,618	15,147,311	2,107,890	72,047,553

AT THE SAME PORTS THE RECEIPTS FOR THE YEAR 1863 WERE AS FOLLOWS:

	Flour, bbls.	Wheat, bu.	Corn, bu.	Oats, bu.	Rye, bu.	Flour reduced to wheat, bu.
Chicago ...	1,474,282	11,180,344	24,459,508	9,129,525	1,968,106	56,079,903
Toledo	1,126,260	6,194,130	1,705,096	733,796	62,187	14,326,459
Milwaukee.	428,747	13,024,323	359,052	949,570	369,019	16,845,699
	3,029,289	30,398,797	26,523,656	10,822,891	2,399,262	87,252,061

From these tables it will be seen that the receipts of these three ports the past year, compared with those of the year 1863, show an aggregate decrease of 15,203,458 bushels; of which 10,127,162 are chargeable to Chicago; 4,507,002 was the loss of Milwaukee, and 569,294 bushels the deficit of Toledo. The deficient and badly ripened corn crop of the year 1863, occasioned the chief reduction of receipts at Chicago and Toledo. The loss of Milwaukee, it will be seen, was principally in wheat. The commerce of Chicago and Toledo, in articles other than breadstuffs, for the past year, was much in advance of that of any other preceding year.—Yours, &c., J. W. S.

STATISTICS OF TRADE AND COMMERCE.

COMMERCE BETWEEN BRAZIL AND UNITED STATES—THE WHALE FISHERY FOR 1864—RAILROAD AND STEAMBOAT ACCIDENTS—COMMERCE OF UNITED STATES.

COMMERCE BETWEEN BRAZIL AND UNITED STATES.

THE following, prepared for the *Merchants' Magazine* by L. H. F. D'AGUIAR, Brazilian Consul at New York, will be found particularly valuable in the absence of the commerce and navigation report. It presents the trade of Brazil with the United States for the past three years:

EXPORTS TO BRAZIL.

	Vessels.	Tons.	Value reduced from greenback currency.
1863-64....American vessels.....	46	19,304	£293,899
....Foreign vessels.....	203	46,314	945,450
Total.....	249	65,618	1,239,349
1862-63....American vessels.....	144	46,441	753,793
....Foreign vessels.....	76	17,629	475,996
Total.....	220	64,070	1,129,789
1861-62....American vessels.....	183	54,904	742,043
....Foreign vessels.....	37	7,987	166,842
Total.....	220	62,891	909,885

IMPORTS FROM BRAZIL.

	Vessels	Tons.	Value reduced from gold.
1863–64....American vessels.....	41	14,219	£374,717
....Foreign vessels.....	282	66,459	2,684,469
Total.....	323	80,678	3,059,186
1862–63....American vessels.....	150	45,960	1,139,496
....Foreign vessels.....	107	27,149	1,299,734
Total.....	257	73,109	2,439,230
1861–62....American vessels.....	191	65,598	1,216,736
....Foreign vessels.....	105	30,376	1,560,225
Total.....	296	95,974	2 776,961

	Articles exported. Flour, bbls.	Dry goods, val.
1863–64.....	410,862	88
1862–63.....	410,094	242
1861–62.....	376,315	5,187

Imports.	1863–64.	1862–63.	1861–62.
Coffee.....bags	574,182	366,908	567,146
Hides.....numb.	352,226	343,282	157,884
Sugar.....vol.	76,415	93,947	97,250
India rubber.....arrobes of 32lbs.	96,623	78,612	45,602

ANNUAL STATEMENT OF THE WHALE FISHERY FOR 1864.

THE year 1864 has witnessed a further decline in the number of vessels employed in the business, and the number now thus employed is less than at any time within the last twenty-five years, being 276, with an aggregate of 79,692 tons. The greatest number within the above-named period employed in the whaling business was in 1846, which was 735, amounting to 233,189 tons. The present number of vessels, however, is as large as the business will warrant.

The success of the fleet in the Arctic Ocean in 1863, induced many of those engaged in sperm whaling, to abandon the latter and try their fortune North, but with one or two exceptions the change was not successful. The whole number of American ships that cruised in the Arctic Ocean in 1864, was 63. Of this number, all but one, the William Gifford, have arrived in at different ports. These have taken an aggregate of 29,440 bbls. whale oil, and 439,250 lbs. bone —an average of 475 bbls. oil and 7,084 lbs. bone. Add to these nine foreign vessels also cruising in the Arctic, which took 4,220 bbls. whale oil and 66,600 lbs. bone, and the whole Arctic fleet numbers 71 ships, with an aggregate catch of 33,660 bbls. oil and 505,250 lbs. bone, or an average of 474 bbls. oil and 7,116 lbs. bone each.

The Ochotsk fleet consisted of six American and four foreign vessels. All the American ships but the Hercules have arrived in port, and taking her last report —500 bbls.—will give an aggregate catch of 6,050 bbls. oil and 87,800 lbs. bone, or an average of 1,008 bbls. oil and 14,633 lbs. bone each. The four foreign

ships took 3,675 bbls. oil and 49,000 lbs. bone, or an average of 919 bbls. oil and 12,250 lbs. bone. These added together make the whole Ochotsk fleet ten ships, with an aggregate catch of 9,725 bbls. whale oil and 136,800 lbs. bone, averaging 972 bbls. oil and 13,680 lbs. bone each. Thus the whole number of vessels comprising the North Pacific fleet in 1864 is 81 (exclusive of the William Gifford, to hear from) with a aggregate catch of 43,385 bbls. whale oil and 642,050 lbs. bone, or an average of 535 bbls. oil and 7,926 lbs. bone each.

On the whole the success of the Northern fleet has not been very encouraging, for although oil and bone are commanding apparently high prices, yet almost every article of merchandise has advanced more than our staples, and the enormous expenses attending a whaling voyage in these times, will require a much larger catch to make any favorable compensation to owners of these vessels.

Although the weather in the Arctic and Ochotsk has been very boisterous, there have been only two vessels lost the last season—the Henry Kneeland, in the Arctic, and the Mary in the Ochotsk, both belonging to this port.

The success in the Hudson's Bay whaling, did not come up to our expectations the past year. The great difficulty appears to be the short time between the breaking up of the ice and the closing up of the same, rendering the season available for whaling extremely short. Whales seem to be plenty, but they are very shy and difficult to capture. There were four arrivals from Hudson's Bay in 1864—three into New Bedford, and one into New London, bringing 3,454 bbls. whale oil and 55,000 lbs. bone. There are now wintering in Hudson's Bay and Cumberland Inlet 12 American whalers—the Antelope, Ansel Gibbs, Black Eagle, Glacier, Morning Star, and Orray Taft, of this port; Cornelia, George and Mary, Helen F. Monticello, and Pioneer, of New London, and Concordia, of Sag Harbor, all of which will probably arrive home next fall.

Of the American whalers from the North twenty-three arrived at San Francisco, forty-two at the Sandwich Islands, one at Monterey, and one at Panama. All the foreign whalers arrived at the Sandwich Islands.

Of the 81 whalers which sailed from home ports in 1864, 19 were bound to the North Pacific, 15 to Cumberland Inlet and Hudson's Bay, 5 to Desolation and Hurd's Island, and the balance sperm whaling to the Atlantic, Indian, and Pacific Oceans.

From present appearances the import of sperm oil will be considerably less this year than in 1864. The fleet on the Pacific coast is very small, and doing very little, with one or two exceptions. The South Pacific fleet is also much reduced, and have done poorly; very few ships are in the Indian Ocean. The fleet in the Atlantic have done better, although whaling has been much interrupted about the Western Islands, the "Two Forties," and other grounds, by uncommon rough weather. The quantity of oil landed at Fayal in 1864 by whalers is 4,862 bbls. sperm, 883 bbls. whale; also 1,395 lbs. bone. All the oil but about 300 bbls. has arrived home.

The import of sperm oil for the year is 64,372 bbls., 683 bbls. less than in 1863; of whale oil, 71,863 bbls., an excess of 8,889 bbls. over the preceding year; of whalebone, 760,450 lbs.—271,700 lbs. more than in 1863.

The exports exceed those of 1863 by 28,634 bbls. sperm, 703 bbls. whale oil, and 250,600 lbs. bone.

The average prices for the year are: Sperm oil, $1 78 per gallon; whale oil, $1 28 per gallon, and whalebone, $1 80 per pound, exceeding that of the previous year, 17 cents for sperm, 33 cents for whale oil, and 27 cents for bone.

The stock of sperm oil on hand January 1, 1865, is 10,818 bbls. less, and that of whale oil 2,665 bbls. less than the corresponding period in 1864. Whalebone is in excess 21,170 lbs.

We refer our readers to the following tables of statistics:

EXPORTS OF SPERM OIL, WHALE OIL, AND WHALEBONE FROM THE UNITED STATES.

	Bbls. sp.	Bbls. wh.	Lbs. bone.
1864	45,000	12,000	530,000
1863	18,866	11,297	279,394
1862	27,976	68,583	2,004,981
1861	37,547	49,969	1,145,013
1860	32,792	13,007	911,226
1859	52,207	8,179	1,707,929

IMPORTS FROM 1846 TO 1865.

	Bbls. sp.	Bbls. wh.	Lbs. bone.
1864	64,372	71,863	760,450
1863	65,055	62,974	488,750
1862	55,641	100,478	763,500
1861	68,932	133,717	1,038,450
1860	73,708	140,005	1,337,650
1859	91,408	190,411	1,923,850
1858	81,941	182,223	1,540,600
1857	78,440	230,941	2,058,900
1856	80,941	197,890	2,592,700
1855	72,649	184,015	2,707,500
1854	76,696	319,837	3,445,200
1853	103,077	260,114	5,652,300
1852	78,872	84,211	1,259,900
1851	99,591	328,483	3,966,500
1850	92,892	200,608	2,869,200
1849	100,944	248,492	2,281,100
1848	107,976	280,656	2,003,000
1847	120,753	313,150	3,341,680
1846	95,217	207,493	2,276,930
1845	157,917	272,730	3,167,142

IMPORTATIONS OF SPERM OIL, WHALE OIL, AND WHALEBONE INTO THE UNITED STATES IN 1864.

	Bbls. sp.	Bbls. wh.	Lbs. bone.
New Bedford	48,172	35,883	224,250
Fairhaven	1,278	711	600
Westport	2,241	32	—
Dartmouth	500	525	—
Mattapoisett	881	4	700
Sippican	155	9	—
District of New Bedford	57,227	37,164	225,550
New London	915	8,091	149,600
Nantucket	78	18	—
Provincetown	1,850	1,742	2,600

Salem	90	20	—
Edgartown	153	1,525	15,650
Falmouth	931	232	1,700
Sag Harbor	1,133	505	3,700
Boston	3,894	9,611	159,000
New York	2,101	12,955	202,650
Total	64,372	71,863	760,450

STOCK OF OIL AND BONE ON HAND ON THE FIRST OF JANUARY IN THE LAST SEVEN YEARS.

	Bbls. sp.	Bbls. wh.	Lbs. bone.
1865	20,382	6,679	170,150
1864	31,200	9,344	148,980
1863	16,038	23,019	91,500
1862	16,132	58,378	295,600
1861	15,838	80,469	438,700
1860	13,429	96,480	380,600
1859	17,176	82,376	400,000

AVERAGE PRICES OF OIL AND BONE.

	Sperm.	Whale.	Bone.
1864	178	128	180
1863	161	95½	153
1862	142½	59½	82
1861	131½	44½	66
1860	141½	49½	80

RAILROAD AND STEAMBOAT ACCIDENTS.

THESE figures give the result of the railroad and steamboat accidents in the United States the past year:

RAILROAD ACCIDENTS.

Number of accidents and the killed and wounded in 1864 and the ten preceding years:—

	1864.			1863.		
	Accidents.	Killed.	Wounded.	Accidents.	Killed.	Wounded.
January	15	27	28	11	14	75
February	7	17	28	9	102	57
March	11	37	37	10	14	64
April	8	7	26	9	4	41
May	12	42	166	4	4	23
June	10	19	106	8	26	62
July	9	74	145	6	11	49
August	17	37	194	10	14	33
September	15	47	105	10	30	103
October	13	59	177	7	24	76
November	15	23	111	2	13	66
December	8	15	110	3	8	17
Total	140	404	1,486	89	264	671

The above figures do not include accidents where no lives were lost, accidents to individuals which were caused by their own carelessness or design, or deaths

or injuries resulting from the recklessness of persons in crossing or standing upon railroad tracks where trains were in motion.

The following table exhibits the number of accidents, with the number of persons killed and injured, during the last eleven years:

	Accidents.	Killed.	Wounded.
1854	193	186	589
1855	142	110	539
1856	143	105	629
1857	126	130	536
1858	82	119	417
1859	79	129	411
1860	74	57	315
1861	63	101	459
1862	99	264	877
1863	89	264	674
1864	140	404	1,846
Total	1,230	1,869	7,289

STEAMBOAT ACCIDENTS.

Number of accidents and the killed and wounded in 1864 and the ten preceding years:—

	1864.			1863		
	Accidents.	Killed.	Wounded.	Accidents.	Killed.	Wounded.
January	.	..	..	2	5	1
February	2	13	..	2	6	5
March	1	2	..	1	5	2
April	.	..	..	3	43	20
May	1	7	15	2	4	6
June	2	45	..	1	..	14
July	2	72	4	.	..	..
August	1	8	..	3	65	10
September	6	72	60	2	31	..
October	6	28	22	2	71	3
November	3	86	10	1	13	18
December	2	25	32	1	12	6
Total	26	358	143	20	255	85

The above table does not include accidents where no lives were lost, the killed and wounded by accidents occurring at sea, or those who lost their lives or received injury on board of steam vessels during engagements.

The following table shows the number of accidents and the killed and wounded during the last eleven years:

	Accidents.	Killed.	Wounded.
1854	48	587	225
1855	27	176	107
1856	29	353	127
1857	30	322	82
1858	27	300	107
1859	21	342	146
1860	29	597	134
1861	19	69	88
1862	16	220	70
1863	20	255	85
1864	26	358	143
Total	292	3,584	1,314

COMMERCE OF THE UNITED STATES.

THE Commerce and Navigation Report, for 1862, which is just issued, has been delayed so long that the returns have lost much of their interest. Their value, however, for future reference and comparison, is the same. We give, this month, simply the exports.

EXPORTS FROM THE UNITED STATES TO FOREIGN PORTS FOR THE YEAR ENDING JUNE 30.

	1860.		1861.		1862.	
PRODUCTS OF THE SEA—	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Oil—sperm.....galls.	1,335,736	$1,789,089	1,518,457	$2,110,823	719,477	$962,603
Do.—whale and other fish.....do.	939,872	537,547	1,069,468	581,264	2,599,316	1,280,697
Whalebone.....lbs.	1,068,895	896,293	979,281	736 552	796,384	556,795
Spermaceti and sperm candles.....do.	157,783	51,829	456,408	148,907	280,526	64,481
Fish, dried or smoked.....cwt.	219,628	690,088	219,324	634,941	250,819	712,584
Do. pickled.....bbls.	33,815	191,634	48,352	244,028	67,575	410,138
Do. do.....kegs.	2,433		2,662		8,588	
Total product of the Sea.....		$4,156,480		$4,451,515		$3,987,298
PRODUCTS OF THE FOREST—						
Staves and headings.....M.	75,800	$2,365,516	78,408	$1,959,892	69,965	$2,590,649
Shingles.....M.	41,601	169,546	30,078	108,610	20,118	67,356
Boards, planks, &c.....M. ft.	170,922	2,777,919	132,332	2,092,949	129,243	2,015,982
Hewn timber.....tons	32,376	231,668	8,821	97,875	4,891	188,521
Other lumber.....	.....	705,119	.....	441,979	.....	1,162,163
Oak bark and other dye.....	.....	164,260	.....	189,476	.....	186,363
Manufactures of wood.....	.....	2,703,095	.....	2,344,079	.....	1,755,793
Tar and pitch.....bbls.	60,622	151,404	55,057	143,280	9,765	55,884
Rosin and turpentine.....bbls.	770,652	1,818,238	536,207	1,060,257	65,441	293,400
Ashes—pots and pearls.....cwt.	271,949	822,820	99,701	651,547	74,895	457,049
Ginseng.....lbs.	395,909	295,766	347,577	292,899	630,714	408,590
Skins and furs.....	.....	1,533,208	.....	878,466	.....	794,407
Total product of the Forest.....		$13,788,559		$10,260,809		$9,926,157

Produce of Agriculture—	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
(Animals.)						
Beef.....tcs.	78,674	$2,674,324	41,822	$1,675,773	57,284	$2,017,077
Do.....bbls.	76,283		65,468		50,171	
Tallow .....lbs.	15,269,585	1,598,176	29,718,364	2,942,370	46,773,768	4,026,113
Hides.....	.....	1,086,260	.....	673,818	.....	518,687
Horned cattle.....No.	27,501	1,052,426	8,885	223,246	3,684	197,019
Butter .....lbs.	7,640,914	1,144,321	15,531,881	2,355,985	26,691,247	4,164,344
Cheese .....lbs.	15,515,799	1,565,630	32,361,428	3,321,631	34,052,678	2,715,892
Pork .....tcs.	1,616	3,132,313	1,682	2,609,318	2,102	3,980,153
Do.....bbls.	202,319		153,964		305,949	
Hams and bacon..... .....lbs.	25,844,610	2,273,768	50,264,267	4,648,389	141,212,786	10,290,572
Lard.....lbs.	40,289,519	4,545,831	49,908,911	4,729,297	118,573,307	10,004,521
Hogs .....No.	48,355	377,604	463	3,267	3,806	23,562
Horses .....No.	1,635	233,368	1,469	193,420	1,534	157,442
Mules.....No.	1,435	158,080	1,799	191,873	3,237	212,187
Sheep .....No.	.....	33,613	.....	28,417	.....	34,600
Wool... .....lbs.	1,055,928	389,512	847,301	237,846	1,153,888	296,225
		$20,215,226		$24,085,100		$38,688,894
(Vegetable Food)—						
Wheat.....bush.	4,155,153	$4,076,704	31,238,057	$38,313,624	37,289,572	$42,573,295
Flour ....bbls.	2,611,596	15,448,507	4,323,726	24,645,849	4,882,033	27,534,677
Indian corn .....bush.	3,314,155	2,399,808	10,678,244	6,890,865	18,904,898	10,387,383
Corn meal.....bbls.	233,709	912,075	203,813	692,003	253,570	778,344
Rye meal.....bbls.	11,432	46,172	14,143	55,761	14,463	54,488
Rye, oats, &c..... ..	.....	1,058,364	.....	1,124,556	.....	2,364,695
Biscuit .....bbls.	119,236	478,740	110,690	429,708	128,846	490,942
Do .....kegs and boxes	46,543		36,847		39,463	
Potatoes.....bush.	380,372	284,673	413,091	285,508	417,138	300,599
Onions	.....	109,861	.....	102,578	.....	90,412
Apples .....bbls.	78,809	206,055	112,523	269,368	66,767	238,923
Rice .....tcs.	84,163	2,567,899	39,162	1,382,178	2,146	156,899
Do.....bbls.	77,837		50,038		7,335	
		$27,590,298		$74,191,993		$84,970,587

	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Cotton, Sea Island.....lbs.	15,598,698	$191,806,555	6,170,321	$34,051,483	66,443	$1,180,113
Do. other.....lbs.	1,752,087,640		301,345 778		4,998,121	
Tobacco, unmanufactured.....hhds.	167,274		160,816		107,283	
Do .....cases	15,035	15,906,547	18,815	13,784,710	31,962	12,325,356
Do .....bales	17,817		19,450		15,489	
Flaxseed.....bush.	2,715	3,810	28,540	49,609	15	59
Cloverseed.....bush.	116,574	596,919	200,417	1,063,141	66,064	295,255
Hemp .....tons	186	9,531	186	8,608	48	8,300
Brown sugar.....lbs.	1,133,986	103,244	3,275,024	301,329	1,284,849	90,022
Hops .....lbs.	273,257	32,866	8,335,837	2,006,053	4,850,046	663,898
Total produce of Agriculture		$256,264,996		$149,492,026		$138,171,984
MANUFACTURES—						
Wax.....lbs.	362,474	$131,803	270,425	$94,495	142,312	$47,883
Refined Sugar.....lbs.	3,332,045	301,674	3,236 110	287,881	1,470,403	147,397
Chocolate .....lbs.	17,194	2,593	9,906	2,157	18,822	4,288
Spirits (from grain).....galls.	748,135	311,595	2,994,181	867,954	768,295	328,834
Do (from molasses)..... do	2,855,952	930,644	2,885,869	850,546	2,496,220	715,694
Do (from other materials) ..... do	494,643	219,199	1,362,414	593,185	3,956,359	1,577,909
Molasses .... do	70,439	35,292	91,593	39,138	45,009	21,914
Vinegar..... do	304,257	41,368	315,994	38,263	268,927	29,701
Beer, ale, porter and cider ..... do	160,887	31,371	136,082	25,876	201,572	45,464
Do do .....doz. bottles	13,043	22,202	7,477	13,604	25,062	20,893
Linseed oil.....galls.	37,809	26,799	42,638	27,982	43,507	54,691
Spirits of turpentine ..... do	4,072,023	1,916,289	2,941,855	1,192,787	.....	.....
Household furniture	.....	1,079,114	.....	838,049	.....	942,454
Carriages, cars, &c.....	.....	816,973	.....	472,080	.....	519,175
Hats	.....	211,602	.....	156,956	.....	132 727
Saddlery.....	.....	71,332	.....	61,469	.....	67,759
Candles, adamantine, &c.....lbs.	4,875,552	708,699	4,569,259	633,048	5,819,503	836,849
Soap..... do	6,852,485	494,405	7,202,180	455,648	9,986,934	636,049
Snuff..... do	89,923	11,354	81,465	17,703	38,839	7,914
Tobacco, manufactured..... do	17,697,309	3,372,074	17,783,363	2,742,828	4,071,963	1,068 780

	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Leather.....lbs.	2,946,633	$674,309	2,714,466	$555,202	1,775,556	$389.007
Boots and shoes.....pairs	678,136	782,525	655,808	779,876	679,594	721,241
Cables and cordage.....cwt.	26,053	246,572	28,422	255,274	19,690	199,669
Gunpowder.....lbs.	3,276,411	467,772	2,319,641	347,103	649,002	101,803
Salt.....bush.	475,445	129,717	537,401	144,046	397,506	228,109
Lead.....lbs.	903,468	50,446	103,023	6,241	79,237	7,334
Iron—pig.....cwt.	7,097	19,143	14,056	25,826	27,868	88,412
Bar ..... do	5,901	38,257	6,941	15,411	16,478	45,584
Nails ..... do	5,005,694	188.754	5,3[illegible]4,536	270,084	4,578,807	175,856
Castings ..... do	55,726	282,848	26,400	76,750	11,790	54,671
Other manufactures of.....	.....	5,174,040	.....	5,536,576	.....	4,212,448
Copper, brass, &c.	.....	1,664,122	.....	2,875,629	.....	1,098,546
Medical drugs.....	.....	1,115,455	.....	1,149,433	.....	1,490,336
Cottons—Printed and colored	.....	3,356,449	.....	2,215,032	.....	587,500
Do white other than duck	.....	1,403,506	.....	1,076,959	.....	508.005
Do duck	.....	382,089	.....	300,668	.....	221,685
Do other manufactures.....	.....	5,792,752	.....	4,364,379	.....	1,629,274
Hemp thread.....	.....	430	.....	30	.....	.....
Hemp bags, &c.....	.....	27,384	.....	39,490	.....	31,940
Wearing apparel	.....	525,175	.....	462,554	.....	472,924
Earthenware, &c.....	.....	65,086	.....	40,524	.....	32,108
Combs and buttons	.....	23,845	.....	32,792	.....	14,221
Brushes and brooms.....	.....	61,377	.....	62,360	.....	99,166
Billiard apparatus	.....	15,979	.....	8,910	.....	19,884
Umbrellas and parasols.....	.....	4,862	.....	1,271	.....	553
Morocco, &c.....	.....	19,011	.....	7,507	.....	13,049
Fire engines	.....	9,948	.....	7,940	.....	36,230
Printing materials	.....	157,124	.....	106,562	.....	169,147
Musical instruments.....	.....	129,653	.....	150,974	.....	152,026
Books and maps.....	.....	278,268	.....	250,365	.....	215,231
Stationery.....	.....	285,798	.....	347,915	.....	399,793
Paints and varnish.....	.....	223,809	.....	240,923	.....	264,114
Glassware.....	.....	277,948	.....	394,731	.....	523,906
Tinware.....	.....	89,064	.....	50,229	.....	62,286

	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Manufactures of pewter and lead.....	.....	$46,081	.....	$30,534	.....	$28,832
Marble and stone.....	.....	176,239	.....	185,267	.....	195,442
India rubber boots and shoes.....pairs	107,693	58,826	62,729	33,603	35,116	35,903
Do other manufactures of.....	.....	182,015	.....	160,088	.....	107,953
Gold and silver leaf	.....	140,187	.....	53,872	.....	63,078
Jewelry, &c.....	.....	24,659	.....	48,740	.....	67,750
Artificial flowers	.....	207	.....	1,459	.....	130
Trunks and valises.....	.....	50,184	.....	40,622	.....	50,771
Lard oil.....galls.	60,209	55,783	85,676	81,783	239,608	148,056
Oil cake.....	.....	1,609,828	.....	1,386,691	.....	875,841
Bricks, lime and cement	.....	154,045	.....	93,292	.....	83,385
Unenumerated manufactures.....	.....	2,397,445	.....	2,530,689	.....	1,986,976
Total Manufactures		$39,544,898		$35,786,804		$25,066,000
Coal .....tons	187,059	$740,783	153,171	$577,386	213,045	$837,117
Ice .....tons	49,153	183,184	44,753	172,263	48,390	182,667
Petroleum, crude and refined.....galls.	.....	.....	.....	.....	5,828,129	1,539,027
Quicksilver..... ...	.....	258,682	.....	631,450	.. ...	1,237,643
Gold and Silver Bullion	.....	$0,913,173	.....	13,311,280	.....	13,267,739
Gold and Silver Coin.....	.....	26,033,678	.....	10,488,590	.....	17,776,913
Raw Produce not specified.....	.....	1,855,891	.....	2,794,046	.....	1,067,703
Total Exports of Domestic Products...		$378,189,274		$227,966,169		$213,060,247

RAILWAY NEWS.

RAILWAYS IN SPAIN—THE PYRENEES TO BE TUNNELLED.

A FEW years ago Spain was as innocent of railroad conveniences as she was in the days when Don Quixotte bestrode his Rosinante and set forth in search of adventures for the honor of Dulcinea del Toboso. The Dons had heard of the the modern invention, and thought, doubtless, that the devil had much to do with it; but the muleteers, as they toiled over the sunny vine-clad hills, whistled in stolid indifference, and with full confidence that their business was not to be broken in upon by the tireless industry and force of the iron horse. The dream, however, has passed; and now the city of Madrid is connected by railroad with all the frontiers of the kingdom—with the Mediterranean by way of Alicante, Valentia, and Barcelona; with the ocean by way of Cadiz to the south and of Santander to the north; with Portugal by way of Estremadura and Badajoz, famed in warlike story, and with France by way of the Basque provinces and Irun.

The length of the lines conceded, according to returns published in 1864, was 3,781 miles; that worked, 2,230 miles. The concessions were made to as many as 37 different companies. The capital raised by shares was about £24,000,000 sterling; and by the issue of debentures, rather more than £25,000,000. The subventions which the government undertood to allow were £12,600,000; but only about half of them were actually paid. The average receipts per mile are not clearly stated, but they were slightly less than in 1862. In the first six months of 1864, compared with the corresponding period of 1863, some of the principal lines, however, showed a marked advance—in the north of Spain, of as much as 23 per cent; Seville, 20; Pampeluna, 12; Barcelona, 4. French capital, as is known, is very largely invested in Spanish lines; and the French now see that, in order to enable them to prosper, it is absolutely necessary that a radical reform should be made in the customs system of Spain—a reform which by abolishing many of the import duties and reducing the rest, shall permit the introduction of foreign merchandise in considerable quantities. Unfortunately, however, Spanish cabinets show no disposition to reform the commercial *regime*; and so little inclination is there in Spain to befriend railways, that a tax of 10 per cent of the receipts of express trains has just been imposed.

The companies enjoy the privilege of importing the materials for the work free of duty. The construction of the line to the French frontier necessitates the construction of a tunnel through the Pyrenees—almost as great a work as that of tunnelling the Alps. The elevation is to be six feet in one hundred.

PACIFIC RAILROAD TO BE COMPLETED—ISSUE OF BONDS BY ST. LOUIS.

THE County Court of St. Louis, at its session December 18th, ordered the issue to the President and Directors of the Pacific Railroad Company, bonds to the amount of $700,000, being the same that the County Court was authorized to issue by the recent act of the Legislature. This loan of the county credit is

upon what is regarded as ample security, and for an amount sufficient to carry the road through to Kansas City we believe.

In anticipation of this issue, the St. Louis *Republican* says that work had been commenced upon the section from Kansas City to Independence, where some bridges destroyed by the rebels, are being rebuilt. Soon it will be resumed along other portions of the line, and it is hoped that by midsummer, the last rail will be laid and the last spike driven, so that by that time the communication will be perfected between St. Louis and the interior of Kansas.

BRIDGE OVER THE MISSISSIPPI AT FULTON.

The Chicago *Tribune* contains an elaborate account of the completion of a massive bridge spanning the Mississippi River, between Fulton, Illinois, and Clinton, Iowa, forming a connecting link in the railroad communication between the Lake City and the North-Western Trans-Mississippi States. The river, at this point, has been crossed hitherto by the vexatious and inadequate medium of of a ferry-boat transporting three cars at once, and obviously subject to great detentions and annoyance, notwithstanding which, the business of the route has largely increased each year. It has cost the railway company, hitherto, more than one dollar per ton to take freight over the Mississippi River by ferry-boats. Hereafter it will cost no more than to run their trains upon other portions of the road, per mile, except the trifling expense of watching it and turning the draw of the bridge. Such was the nature of the stream and its banks, that it has been found impossible, heretofore, to take across all freight offered at that point. Hereafter, no such difficulty will be experienced, and an immense increase in freight is inevitable. This route, which is called the Dixon and Air Line Road, will connect the nearest points of the Missouri and Mississippi rivers to Chicago, following very nearly the forty-second parallel of latitude, and destined to give us connection with the great Platte Valley, the great highway of empire Westward.

THE EXTINGUISHMENT OF THE SCHELDT DUES.

The President has issued a proclamation declaring that the treaty between the United States and the King of the Belgians for the extinguishment of the Scheldt dues has been duly ratified on both sides, and also another proclamation announcing the exchange of ratifications of the convention between these same nations, completing by new stipulations the treaty of commerce and navigation of July, 1858.

By these arrangements the United States, in view of the propositions made by Belgium to regulate by a common accord the capitalization of the Scheldt dues, consents, to contribute to this capitalization, under certain conditions, an amount not exceeding 2,000,780 francs. The tariff of import duties resulting from the treaty of the 1st of May, 1861, between Belgium and France, is extended to goods imported from the United States on the same conditions with which it was extended to Great Britain by the treaty of July 23, 1862.

The reduction made by the treaties entered into by Belgium with Switzerland on the 15th of December, 1862, with Italy on the 9th of April, 1863, with the Netherlands on the 12th May, 1863, and also with France on the 12th of May, 1863, is to be equally applied to goods imported from the United States.

It is agreed that Belgium shall also extend to the United States the reductions of import duties which may result from her subsequent treaties with other powers.

In derogation to the ninth article of the treaty of the 7th of July, 1858, the flag of the United States is to be assimilated to that of Belgium for the transportation of salt.

THE COMMERCIAL FAILURES IN 1864.

Office of the Mercantile Agency, 293 and 295 Broadway,
New York, January 2, 1865.

To Subscribers.—In our annual review of the condition of the mercantile, manufacturing, and trading interests of the country, we are warranted in congratulating subscribers and friends upon the general existent healthy state of affairs. Our record, during the past year, shows only five hundred and ten failures, with liabilities amounting to $8,579,700, which, by comparison, exhibits a remarkably healthy state of the trading community. The number and liabilities of failures for the past eight years are as follows:

Northern States.	Number.	Liabilities.	Northern States.	Number.	Liabilities.
1857.....	4,257	$265,818,000	1861.....	5,935	$178,632,170
1858.....	3,113	73,608,747	1862.....	1,652	23,049,300
1859.....	2,959	51,314,000	1863.....	495	7,899,000
1860.....	2,733	61,739,474	1864.....	510	8,579,700

In submitting these figures we call attention to the fact of a large diminution in the amount of annual failures since the rebellion broke out. This we attribute mainly to that rigid caution which has obtained in our business community in dispensing credits, and to the increased values of stocks on hand.

The immense and general prosperity of all branches of agriculture has augmented the wealth of the trading classes, and the scarcity of labor, suitable to the requirements of the mechanical interests, has tended to increased wages, and enhanced receipts of the operating classes. These, the principal consuming interests, on account of their vast number, and constituting, as they do, the material wealth of the country, have created an unusually large expenditure through the channel of the retail trade, and yielded returns that enabled this class of merchants to meet their obligations promptly to the jobber. The latter has, therefore, been prompt with the importer and commission merchant. Hence the natural conclusion must be that each, acting in harmony with the other, has produced a more satisfactory result than could have been anticipated by even the most sanguine.

Satisfactory as trade for the past few years has proved itself to be, we cannot but think that merchants should continue to rigidly follow out the course they have of late adopted, and thus avert any impending crisis that even the most conservative of our merchants think may yet be in store for us. We make this

suggestion from the statistics furnished by our records, which clearly prove that whenever merchants have deviated from the strict rules of a conservative system of credit, based upon a well founded pecuniary security, and the closest scrutiny as to character and business experience, they have been the sufferers.

The deep interest we have felt in arriving at correct statistics, to submit to the judgment of our subscribers, has induced us to make the most rigid and careful research of our records, at this particular juncture, in order to present to them, at a glance, an estimate of the wealth of the mercantile, manufacturing, and trading interests in the loyal States. This estimate is not obtained by averaging the whole number of traders, but by a specific examination of each name or firm. It has been the work of months, both with us and our associate officers throughout the country, and the result is shown in the appended table, arranged by States and the principal cities. The States of Missouri, Kentucky, Louisiana, and Kansas having been made the theatre of war, thereby disorganizing trade, are consequently not fully represented in this estimate; and California, as it will be observed, is entirely omitted. Still, without them, the aggregate shows 168,925 business houses, representing a wealth of $4,944,766,000 mostly invested in personal property. It is generally conceded that the average profits of trade range from twelve to fifteen per cent; but assuming the low figures of ten per cent, we have $494,476,000 as the accrued gain the past year on the business interests spoken of. This, in view of the unprecedented expenditure necessarily incurred, both by heavy taxation and in otherwise sustaining the Government, exhibits the self-supporting character of our people, and but one element of the strength of the country, which, when added to the other immense resources not brought into our estimate, such as real estate, agricultural, mining, and other interests, should inspire the most hopeful confidence in our future growth and permanent prosperity.

Faithfully, yours,

R. G. Dun & Co.

R. G. DUN AND CO.'S STATISTICAL TABLE, SHOWING THE ESTIMATED WEALTH OF THE MERCHANTS, MANUFACTURERS, AND TRADERS THROUGHOUT THE NORTHERN STATES.

States and principal cities.	Business houses.	Wealth.	States and principal cities.	Business houses.	Wealth.
Connecticut...	5,832	$145,588,000	Michigan	5,934	$83,948,000
Delaware	1,150	24,701,000	Missouri*	3,263	81,334,000
Dis't. Columbia	1,282	17,448,000	Minnesota	979	7,602,000
Illinois.....	12,215	207,508,000	N. Hampshire.	2,851	38,685,000
Indiana	8,512	134,240,000	New Jersey ..	5,910	90,250,000
Iowa	5,052	38,532,000	New York....	36,932	1,677,204,000
Kansas*..... .	438	3,357,000	Ohio.....	17,005	310,725,000
Kentucky*....	1,528	39,559,000	Pennsylvania..	22,941	733,296,000
Louisiana* (N. O. only)....	802	50,794,000	Rhode Island..	2,487	115,704,000
Maine.....	4,982	99,293,000	Vermont	2,494	19,989,000
Maryland	3,665	102,359,000	Wisconsin	5,869	53,775,000
Massachusetts.	17,302	868,815,000	Total.....	168,925	$4,944,766,000

* These States, in consequence of the disorganized state of trade caused by the rebellion, are not fully represented.

REPORT OF THE SECRETARY OF THE TREASURY.

In our last issue we noticed some of the suggestions contained in the Report of the Secretary of the Treasury. We now give the more important facts and figures. The report for the previous year will be found in vol. 50, p. 39, of the *Merchants' Magazine.*

RECEIPTS AND EXPENDITURES FOR 1863.

The following is a statement of the receipts and expenditures, estimated and actual, for the year ending June 30, 1863, including balance for the preceeding year :

Receipts.

	Estimated.	Actual.
From customs	$72,562,018	$102,316,152
Lands	436,183	588,333
Miscellaneous	5,641,542	47,511,488
Direct tax	.....	475,648
Internal revenue	77,599,713	109,741,184
Total	$156,239,456	$260,632,717
Add balance July 1, 1863	5,329,044	5,329,044
Aggregate	$161,568,500	$265,961,761
Estimated receipts from loans	594,000,000	618,114,884
Total	$755,568,500	$884,076,646

Expenditures.

	Estimated.	Actual.
For civil service	$34,267,811	$2,755,599
Pensions and Indians	7,840,314	7,517,930
War Department	885,479,511	690,791,842
Navy Department	112,799,186	85,733,292
Interest on debt	59,165,136	53,685,421
Total	$1,099,781,960	$865,234,087
Deduct estimated	350,000,000	
Total	$749,781,960	
Estimated balance	5,836,539	18,842,558
From actual receipts from loans		618,114,884
Deduct balance on hand July 1, 1864		18,842,558
It shows the amount received from loans applied to the service of the year ending June 30, 1864		959,272,326

The statement may be more intelligible in another form, as follows :

Actual expenditures for the fiscal year	$865,234,087
Deduct receipts from ordinary sources and balance from preceding year	265,961,761
Balance provided from loans applied to the service of the year	599,272,316

The amount derived from loans specifically stated, is as follows :

Five-twenty bonds, act February 25, 1862	321,557,283
Fractional currency exceeding amount redeemed	2,702,421
Six per cent bonds, act July 17, 1861	30,565,875
Ten-forty bonds, act March 3, 1864	73,337,600
Twenty years six per cents, act March 3, 1863	42,141,771

United States notes, act February 25, 1862	43,869,821
One year five per cent notes, act March 3, 1863	44,520,000
Two year five per cent notes, act March 3, 1863	152,864,800
Three year six per cent compound interest notes	15,000,000
Certificates of indebtedness exceeding amount redeemed	4,098,758
Whole amount	$730,642,410
Of which amount there was applied to repayment of public debt	112,527,526
Which deducted, it leaves applicable to expenditures	618,114,884
Deduct balance July 1, 1864	18,842,558
Balance applied to the service of the year	$599,272,326

National Debt.

The public debt, as stated by my predecessor in his report of December 10, 1863, was	$1,098,793,181
To this amount should be added amounts paid into the Treasury previous to July 1, 1863, for which evidences of debt were subsequently issued	23,782,423
Amount of debt July 1, 1863	1,122,575,604
Add amount of loans applied to actual expenditures, as above, and balance in the Treasury July 1, 1864	618,114,884
It gives the amount of public debt July 1, 1864	1,740,690,489

RECEIPTS FROM MISCELLANEOUS SOURCES.

The very large comparative receipts from miscellaneous sources require explanation. They are accounted for as follows, viz.:

From captured and abandoned property	$2,146,715
Premium on gold shipped from San Francisco to London	2,799,920
Sales of prizes due to captors	4,088,111
Internal and coastwise intercourse fees	5,809,287
Premium for sales of gold coin	16,498,975
Commutation money	12,451,896
All other sources	3,716,542
Total	$47,511,448

The Secretary is of the opinion that not over $25,000,000 can be safely calculated upon as likely to accrue from similar sources during the current year.

FINANCIAL OPERATIONS ABROAD.

The item of "premium on gold shipped from San Francisco to London" may also require further explanation. In March, 1863, it became necessary to transmit a considerable amount of funds to London for a special purpose, for which an appropriation had been made by Congress; and it was thought advisable to deposit a certain amount of our securities with an eminent London banker, against which bills might be drawn. Five-twenty bonds to the amount of ten millions were accordingly placed in the hands of two distinguished citizens, to whose care the negotiation was committed. The negotiation failed, and the ten millions were returned to the Treasury and disposed of. It was thought advisable that the amount of four millions should remain, and that exchange should be drawn against it and the bonds disposed of abroad if a favorable market should be found. It appears, however, that very nearly this amount of issue is in excess of the five hundred and eleven millions authorized by existing loans, $510,756,900 having been disposed of. It is at least questionable whether by this clause power is conferred to dispose of an amount beyond that fixed by existing laws. Additional legislation may remove that doubt, should Congress think it advisable, otherwise they may be cancelled. Exchange having been drawn, it became necessary to provide funds to meet the bills at maturity, which was accomplished by shipments of gold from California.

ESTIMATED EXPENSES OF THE CURRENT FISCAL YEAR.

The expenditures for the current fiscal year were estimated in the last report of the Secretary as follows, viz.:

Estimated balance of former appropriations	$350,000,000
For the civil service	27,973,194
For pensions and Indians	9,631,303
For the War Department	536,204,127
For the Navy Department	142,618,785
For interest on the public debt	85,387,677
Aggregate	$1,151,815,089
Deducting as likely to remain unexpended on the 30th June, 1864	$400,000,000
Leaving to be provided for	751,815,089
And the receipts from ordinary sources were estimated in the aggregate at	206,836,539
Leaving to be provided by loans	544,978,549

This estimate, like all others of a similar character, was necessarily based on past experience with regard to unexpended balances, and upon estimates from the different departments, which, in a time of war, must be liable to great uncertainty. Additional information enables me to state the probable expenditures with a near approach to accuracy, as corrected, by including so much of the actual balance of former appropriations as is liable to be used during the year, those made at the last session of Congress, the additional amounts called for to meet probable deficiencies, and reducing the balance of unexpended appropriations at the end of the year, as from amounts expended during the first quarter, would seem necessary. The estimate is as follows, viz.:

Actual unexpended balances as above	$380,387,050
For the War Department	625,945,741
For the Navy Department	110,047,459
For the civil service	21,796,572
For pensions and Indians	6,590,089
Indefinite appropriations	9,152,007
Total	$1,153,918,920
Add interest on public debt	$91,810,215
Add public debt matured and maturing during the year, viz.:	
Certificates of indebtedness	160,729,000
Texas debt	2,149,000
Loan of 1842	196,808
Treasury notes under act of March 2, 1861, and prior thereto	278,511
Total	$1,409,082,455

OUTSTANDING CERTIFICATES OF DEBT.

The amount of certificates outstanding on the 1st November, 1864, was $238,593,000. This being a much larger amount than the market ought to bear, it would not be wise to calculate upon these securities as available for the service of the year beyond $75,000,000.

THE RESOURCES FOR THE CURRENT YEAR.

The available probable resources for the current year may then be stated as follows:

From customs	$70,271,091
Lands	642,185
Internal revenue	249,562,859
Miscellaneous resources	24,020,171

Direct tax	16,079
Certificates of indebtedness	75,000,000
Total	$419,512,389
To this should be added probably unexpended balances, June 30, 1865	350,000,000
Balance of cash July 1, 1864	18,842,558
Total resources	$788,354,947
Which, deducted from expenditures, leaves balance to be provided for by loans	620,727,508
If, however, an additional sum of fifty millions should be realized, as proposed by the Commissioner, from internal duties, the amount to be raised by loans would be	570,727,508
From this should be deducted the public debt redeemed	88,353,320
Leaving an increase of public debt at the close of the year	482,374,188

[*Note.*—In addition to the liabilities before stated, it may be mentioned that the seven-thirty notes, now called the issue of 1861, and the one year five per cent legal tenders, amounting to $43,585,000, also become payable during the current year. The conversion of the former being provided for, however, by the act of August, 1861, and the latter, by a power of substitution, under the act of June 30, 1864, they have been excluded from this estimate. The amount of seven-thirty notes redeemed in money to November 1, 1864, is only $63,500, charged to current expenditure, while the whole amount converted to that date is $125,864,900.]

RECEIPTS AND EXPENDITURES FOR 1864–65.

Stated in the usual form, by taking the actual receipts and expenditures of the first quarter as a distinct basis of calculation, the result is the same, viz.: For the first quarter of the current year, ending September 30, 1864, the actual receipts, as shown by the books of the Treasury, were as follows:

From customs	$49,271,091
From lands	342,185
From direct tax	16,079
From internal revenue	46,562,850
From miscellaneous sources	9,020,171
Total receipts	$75,212,389
Add balance in Treasury July 1, 1864	18,843,558
Receipts from all sources excepting loans	$94,054,947

For the three remaining quarters, ending on the 30th of June, 1865, the estimates are:

From customs	$51,000,000	
Internal revenue	203,000,000	
Lands	30,000,000	
Miscellaneous sources	15,000,000	
Total		$269,000,000
Total receipts from ordinary sources, actual and estimated, with balance on hand July 1, 1864		$363,354,947

The expenditures for the first quarter, ending September 30, 1864, were as follows:

Civil service	$8,712,422
Pensions and Indians	4,936,179
War Department	286,200,288
Navy Department	33,292,916
Interest on public debt	19,921,054
Total, exclusive of principal of public debt	$353,061,861

For the three remaining quarters the estimated expenditures, based upon appropriations and estimated deficiencies, are:

For the civil service	$26,852,489
For pensions and Indians	6,516,595
For War Department	677,479,384
For Navy Department	109,939,644
For interest on public debt	71,889,160
Total of expenditures, actual and estimated	$1,245,729,135

These estimates include all unexpended appropriations from former years, and there may be deducted, as a probable unexpended balance at the close of the year, $350,000,000, leaving the total amount, actual and estimated, for the current year, $875,729,135. Deducting the receipts from the total of expenditures, actual and estimated, there will remain $512,374,188.

THE DEFICIENCY.

If Congress should adopt the measures for increasing the internal revenue at an early day, the Secretary believes there may be added to the receipts from that source $50,000,000, which being deducted, there would remain to be provided $482,374,188.

THE PUBLIC DEBT.

The public debt, matured and maturing during the year, is, as before stated, $163 353,320. From this may be deducted, as likely to be provided for by new certificates of indebtedness, $75,000,000. Add this sum ($88,353,320) to the balance to be provided for the expenditures of the year, viz. $482,374,188, and it makes the whole amount to be provided from loans $570,727,508. But as this would include so much of the existing public debt as would be redeemed, exceeding certificates issued within the year, viz., $88,353,320, this sum is to be deducted from the amount to be obtained by loans, viz. $570,727,508, showing the probable increase of the public debt during the year to be $482,374,188, which, added to $1,740,690,489, would make the public debt on July 1, 1865, $2,223,064,677, subject to such increase as may be occasioned should Congress not provide for additional revenue, or should the income from ordinary sources fall short of the estimate submitted.

ESTIMATED RECEIPTS AND EXPENDITURES.

Any estimate which may be made of the probable receipts and expenditures for the next fiscal year must necessarily be liable to still greater uncertainty. This remark applies more particularly to expenditures, for while, if existing laws remain unchanged, the amount of revenue may be calculated with reasonable certainty, it is impossible to anticipate what the exigencies of war may require. On the one hand this may call for increased effort, and on the other, it may be confidently hoped that the great struggle is near its termination, and that, consequently, the estimate now submitted will prove far beyond the wants of the year. While any doubt remains, however, it would be unsafe to assume any other basis of calculation than one predicated upon the existing state of affairs.

The receipts for the year ending June 30, 1866, are estimated as follows:

From customs	$70,000,000
Internal duties	300,000,000
Lands	1,000,000
Miscellaneous sources	25,000,000
Aggregate	$396,000,000

The expenditures are estimated as follows:

Balance of unexpended appropriations	$350,000,000
For the civil service	33,082,097
Pensions and Indians	14,196,050
The War Department	531,758,191
Navy Department	112,219,666
Interest on public debt	127,000,000
Aggregate	$1,168,256,005
But from this aggregate there may be deducted as likely to remain unexpended at the close of the year	350,000,000
Total	$818,256,005

Deduct estimated receipts from ordinary sources, $396,000,000, there will remain to be provided for by loans $422,256,005. To this should be added for redemption of excess of certificates of indebtedness $47,365,000, making the whole amount to be provided for by loans $469,621,005. Assuming the correctness of these estimates, the whole debt on the first day of July, 1866, would be found by adding the foregoing amount of $422,25,6005 to the estimated debt in July 1, 1865, $2.223,064,677, giving $2,645,320,682 as the amount of the debt at the close of the next fiscal year.

This calculation is made on the same basis of receipts as that assumed for the current year. It is quite probable, in the judgment of the Commissioner of Internal Revenue, that $300,000,000 may be received in another year from that source, without the additional legislation suggested by him. Should this supposition be verified, and the new taxes proposed for this year be laid and continued, an additional $50,000,000 might be expected from internal revenue. The Secretary has, however, thought it wiser to name $300,000,000 as all that would probably be realized.

NATIONAL BANKS OF THE UNITED STATES.

From the Annual Report of the Comptroller of the Currency to the Secretary of the Treasury.

Since my last annual report two hundred and eighty-two new banks have been organized, and one hundred and sixty-eight State banks have been changed into national ones. Of the one hundred banks last organized, sixty-seven have been conversions of State banks, and nearly all the papers now being filed are for the change of State banks into national associations.

There are now in existence, under the national currency act, five hundred and eighty-four associations, which are located in the following States:

In Maine	18	In Ohio	84
In New-Hampshire	9	In Michigan	15
In Vermont	10	In Indiana	34
In Massachusetts	67	In Illinois	38
In Rhode Island	2	In Wisconsin	15
In Connecticut	20	In Minnesota	4
In New York	100	In Iowa	20

In New Jersey	16	In Missouri	7
In Pennsylvania	109	In Kansas	1
In Delaware	1	In Nebraska Territory	1
In Maryland	8	In Kentucky	1
In District of Columbia	2	In Tennessee	8
In Virginia	1	In Louisiana	1
In West Virginia	2		

A detailed statement of the affairs of each bank on the first Monday of October last, with an abstract of the condition of all of them in the aggregate on that day, is herewith submitted, together with the names and compensation of the clerks, and the total expenses of the bureau for the fiscal year.

A large proportion of the circulating notes which have been furnished by the Comptroller was intended to take the place, and is taking the place of the circulation of such State banks as have been converted into national ones, or of those whose notes have been voluntarily retired, or have been returned from those parts of the country in which the notes of the United States and of the national banks are alone current; so that the currency delivered to the national banks is not, and will not, be altogether an addition to the paper money of the country, but rather, to a considerable extent, the substitution of it for that of the State banks.

The paid-in capital of the banks in the respective States and Territories, the currency delivered to them, (a considerable portion of which has not been put in circulation,) and the bonds deposited with the Treasurer to secure their notes, are as follows:

State.	Capital stock paid in.	Circulation.	Bonds.
Maine	$2,749,800 00	$1,887,880	$2,244,500
New Hampshire	1,120,000 00	552,700	944,000
Vermont	1,149,000 00	1,311,800	1,636,000
Rhode Island	700,000 00	414,000	560,000
Massachusetts	25,909,040 00	12,536,850	16,888,650
Connecticut	5,176,638 00	4,084,050	4,525,500
New York	20,599,175 08	12,584,950	14,064,600
Pennsylvania	21,120,148 88	10,183,830	14,964,100
New Jersey	2,141,249 00	1,756,170	2,011,000
Delaware	300,000 00	200,000	250,000
Maryland	1,560,000 00	1,245,000	1,400,000
District of Columbia	600,000 00	477,000	534,000
Virginia	95,025 00	95,000	112,000
West Virginia	206,950 00	140,000	230,000
Ohio	10,035,165 86	7,505,880	8,749,850
Kentucky	200,000 00	162,000	184,000
Indiana	4,201,671 26	3,148,400	3,924,100
Illinois	4,147,837 25	3,396,560	3,794,600
Michigan	1,065,090 00	797,800	943,500
Wisconsin	1,040,277 00	774,500	903,050
Minnesota	590,000 00	442,000	603,000
Iowa	1,215,000 00	945,200	1,092,000
Nebraska Territory	40,000 00	27,000	30,000
Kansas	100,000 00	49,000	55,000
Missouri	1,621,530 00	722,000	865,000
Tennessee	340,000 00	234,380	263,000
Louisiana	500,000 00	180,000	200,000
Total	$108,964,597 28	$65,864,650	$81,961,450

It is, perhaps, to be regretred that so many new banks have been organized in States where, before the passage of the act, there was no deficiency of banking capital. There would have been less cause for apprehension that banking capital in any of the States was being too rapidly increased, if, by suitable legislation

of the States, State banks had been sooner authorized to avail themselves of the benefits of the national currency act, and the managers of banks, where the necessary legislation had been obtained, had more promptly discerned the inevitable tendency of the public sentiment, and co-operated with the government in its efforts to nationalize the bank note circulation of the country. It was not the intention of the originators and friends of the system, nor has it been the policy of the Comptroller, to swell, through the instrumentality of the national banks, the volume of paper money. On the contrary, the system was designed to check over-issues, by requiring ample security for every dollar which should be put into circulation; and it has been the aim of the Comptroller so to administer the law as to prevent, instead of encouraging, an unhealthy and dangerous expansion of credits.

* * * * * * * * *

Of course this system depends for its success upon the maintenance of the faith and credit of the nation, which, in their turn, depend upon the preservation of the national integrity. If these fail, the national banking system will fail; but it will go down with all other important interests, and will be but a part of the general wreck. That such a calamity is not in store for us is the confident hope and belief of all true men of the loyal States. The anxieties and apprehensions which have existed heretofore on this point are rapidly disappearing, as the loyal mind of the United States has hardened to the inexorable resolution that the Union shall be preserved, and the public credit shall be maintained, no matter what sacrifices and burdens the execution of this resolution may involve.

It is a common objection to the national banking system, on the part of some who favor a national currency, that it will deprive the government of the privilege it might safely use, and the field it might profitably occupy, by the continued circulation of its own notes. Why, it is asked, should not the government drive out of circulation all bank notes, and continue to issue, as it has done since the commencement of the war, its own notes, and thus save the interest which otherwise will go to the banks? In answer, I would remark:

The banking interest in the United States is an important one; it has grown with the business of the country, and has been largely instrumental in developing the national resources and in increasing the national wealth. Banks of issue, badly and dishonestly as many of them have been managed, and disastrous as have been the failures which bad management and dishonesty have produced, have still been of unquestionable advantage to the people. The capital of the country has been largely, and in good faith, invested in them, and thousands of stockholders depend upon the dividends upon their bank stock for support. It is an interest which has stood by the government in its struggles with a gigantic rebellion; and now, when it is indispensable that the government should control the issues of paper money, there has been created a national banking system, not to destroy the State banks but to absorb them, and that, too, without prejudice to their stockholders.

Governments should not be bankers. None has existed which could be safely trusted with the privilege of permanently issuing its own notes as money. Circulating notes have been issued under peculiar circumstances by other governments, as it is now being done by that of the United States; but the judgment of the world is against it as a permanent policy, and nothing but an overpowering public exigency will at any time justify it. Under popular institutions like ours, no more dangerous, no more corrupting power could be lodged in the hands of the party in possession of the government; none more perilous to official probity and free elections. Give to a party dominant in the legislative and executive branches of the government the authority of issuing paper money for the purpose of furnishing the country with its currency, subject as it would be to no restraint but its own pleasure, and what guaranty would there be that this authority would be honestly and judiciously used? If there were no risk in the preparation of the notes, and checks were provided to make fraudulent issues an impossibility, the power of issuing government promises as a circulating medium is too

dangerous a one to be conferred upon any party, except under extraordinary circumstances.

The present issue of United States notes as lawful money, and the decisions of the courts sustaining the constitutionality of the issue, have been justified by the consideration that under a great public necessity, when the nation's life is in peril, policies must be framed and laws must be interpreted with a view to the preservation of the government. This is the paramount consideration to which all others must bend. Whatever opinions may have been, in times past, entertained in regard to United States notes, and the expediency as well as the constitutionality of the law making them a legal tender, there are now, I apprehend, very few intelligent persons who are not persuaded that without these notes, and the character of lawful money given to them by Congress and confirmed by the courts, the credit of the nation would have given way at the very outbreak of the rebellion. When the war has been concluded, and the exigency which made the issue of government notes a necessity has ceased to exist, there will be very few to advocate the continued use of them on the ground of economy.

If, however, there were no objections of the kind alluded to, there are other objections to the permanent issue of circulating notes by the government, which must be apparent to all who have considered the object and uses of a paper currency.

Paper money has been found to be useful, or rather an absolute necessity in all commercial countries for the convenient transaction of business, and as a circulating representative of values too large to be represented by coin. Although the fruitful cause of great evils, by reason of its unregulated use, and of its uncertain and frequently deceptive character, the general utility of it can hardly be questioned. Now, what is needed in a paper circulating medium is, that it should be convertible into coin; that it should be sufficient in amount to answer the purposes of legitimate business; that it should not, on the one hand, by being over-issued, encourage extravagance and speculation, and give an artificial and unreliable value to property; nor, on the other hand, by being reduced below the proper standard, interrupt business and unsettle values. It should be supplied to just the extent of the demands of a healthy trade. It should be increased as the regular business of the country may require its increase, and be diminished as the proper demand for it is diminished.

It is not pretended that banks of issue have furnished this kind of circulation. Bank notes, with few exceptions, have been convertible into coin when there was no demand for coin, and inconvertible when there was. They have, too generally, been issued for the exclusive benefit of the bankers, and not for the convenience of the public, and they have encouraged speculation, when their true mission was to facilitate trade. It has been the bane of a bank-note circulation, that it has been expanded by the avarice of the bankers, and contracted by the distrust that over-issues have created.

Now, this objection to a bank-note circulation applies with much greater force to government issues. There is always inducement enough for banks to keep up a full circulation, and against excessive issues there are the restrictions of law and the liability to redeem. Government notes, in the issue thereof, would be regulated only by the necessities of the government or the interests of the party in power. At one time they might be increased altogether beyond the needs of commerce and trade, thereby enhancing prices and inducing speculation; at another, they might be so reduced as to embarrass business and precipitate financial disasters. They would be incomparably worse in this respect than a bank-note currency, because the power that should control circulation would be the power that furnishes it. Supplied by an authority not in sympathy with trade, they would not be accommodated to the requirements of trade. They might be the fullest in volume when there was the least demand for a full circulation, and the most contracted when there was a healthy demand for an increase. They would eventually become an undesirable circulation, because there would be no way in which the redemption of them could be enforced; they would be a

dangerous circulation, because they would be under the control of political parties; an unreliable circulation, because, having no connection with trade and commerce, they would not be regulated by their necessities.

There are objections to all kinds of paper money; but, in some form, it is a commercial necessity, and no form has yet been contrived so little objectionable as that which is authorized by the national currency act. Under this act the government performs its proper functions by exercising one of its constitutional powers for the regulation of commerce, by fixing the maximum of bank-note circulation, securing its solvency, and giving to it nationality of character and uniformity of value. It takes the promises, which are to go among the people through the national banks, put its seal upon them, and guarantees *their* redemption, as it takes the precious ore from the mines—the property of individuals—coins it into money of the United States and fixes the value thereof. It thus performs the proper offices of government. In doing so it interferes with no State rights, meddles with no man's lawful pursuits. It stands between the bankers and the people, and while it protects the latter from imposition in the use of a bank-note currency, it trespasses upon no privileges of the former. Without becoming a banker, and without, as in the case of the charter of the United States Bank, conferring peculiar if not dangerous privileges upon a single corporation, it provides a national circulation, indispensable for its own use and safety in the collection of its internal revenues, and suited to the circumstances of the country.

But while the national currency act is restrictive in its general provisions, and is expected, when generally adopted, to prevent expansions, there is still danger that too much capital will be invested under it during the suspension of specie payments, and in the existing unsettled condition of our political and financial affairs. When money is plenty, and fortunes are being rapidly acquired, the country is always in a feverish and unhealthy state. This is especially true at the present time. The enormous expenditures of the government, and the great advances in prices since the commencement of the war, have made many persons suddenly rich, and, upon fortunes suddenly acquired, have followed reckless expenditures, extravagance, waste. Speculation is taking the place of sober and persevering industry, and thousands are deluded with the notion that the wealth of the nation is being increased by the increase of its indebtedness. The inauguration of a new system of banking, under such circumstances, is peculiarly hazardous; and I have been, from the time of my appointment, more apprehensive that too many banks would be organized, than that the system would not be sufficiently attractive to induce capitalists to become connected with it. The government is the great borrower. Its obligation compose a large portion of the discount line of the banks, which are making large profits on government securities at little apparent risk. and the danger is, that the national banking system, with all its restrictions, may, during the suspension of specie payments, and the continuance of the war, add to the plethora of paper money; and that, when the war is over, the banks, deprived of the existing means of investment in government obligations, and finding no legitimate use for their capitals, may be tempted to use them in encouraging operations that will eventually prove to be as unprofitable to themselves, as they will be injurious to the country. For the double purpose, therefore, of keeping down the national circulation as far as it has seemed possible to do it, consistently with the establishment of the system throughout the country, and preventing an increase of banking capital that might hereafter be instrumental in keeping up the inflation and retarding the resumption of specie payments, or prove unprofitable to its owners, I have felt it to be my duty to discourage, in many instances, the organization of new banks, and in more instances to refuse my sanction to the increase of the capital of those already organized. In doing so, I may seem to have exercised a power not warranted by the act; but if not sustained by its letter, I have been by its spirit, and I am willing to let the future decide as to the correctness or incorrectness of my course.

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Some important amendments are required to the act, in order that it should be fully accommodated to the wants and business of the country.

The provisions in regard to the lawful money reserve, and the distribution of the assets of insolvent banks, require modification.

I am still of the opinion that the rates of interest to be charged by the national banks should be fixed by Congress, and not by the States.

There are too many points at which the banks may redeem their notes. All, with the exception of those in Philadelphia and Boston, should redeem in New-York. The banks ought to be compelled by law to retain a part, if not all the coin received by them, for interest on their gold-bearing bonds, in order that they may be prepared to lend their influence in favor of a return to specie payments; and some provisions should be introduced by which, when specie payments are resumed, excessive importation of goods may be checked, and dangerous exportations of coin may be prevented.

It is of the greatest importance that the national currency system should be independent of politics and freed from political influences. To effect this, and to facilitate the business of the banks with the Comptroller, I am clearly of opinion that the bureau should be made an independent department, and removed from Washington to Philadelphia or New-York.

I do not, however, recommend that any amendments be made by the present Congress. The act will do well enough as it is for another year. When the next Congress assembles, the defects in it will be better understood, by the practical working of the system, than they can be at the present time. The act can then be taken up, and, with the light which the experience of another year has thrown upon it, judiciously amended.

REPORT OF POSTMASTER GENERAL.

THE postal revenues for the year ending the 30th June last were $12,438.253 78, and the expenditures of this department during the same period were $12,644,786 20, showing an excess of the latter of $206,532 42.

The increase of expenditures in 1864, compared with those of 1863 is 11¼ per centum, and the increase in the revenues for the same year 11¼ per cent.

This exhibit promises an increase of the revenues for 1865 over the estimate submitted in the report of last year.

During the fiscal year 334,054,610 postage stamps, of the value of $10,177,327: 26,644,300 stamped envelopes amounting to $765.512 50: and 1,574,500 newspaper wrappers amounting to $31,490, were issued. The total value of these *issues* was $10,974,329 50, which compared with the issue of the previous year, (10.338,760) shows an increase of $635,569 50, or about six and one-eight per cent. The value of the stamps, and stamped envelopes sold was $10,776,589 58, and the amount used in the prepayment of postage was $9,878,155 61.

Notwithstanding the advance of every article used in the manufacture of stamps, and the large increase in the number required by the department, the National Bank Note Company, of New York, have fulfilled, in a satisfactory manner, all their obligations.

The length of routes in operation 30th June last was 139,173 miles, and the service as follows, viz.: Railroad, 22,616 miles; steamboat, 7,278 miles; "celerity, certainty, and security," 109,278 miles—costing $5,818,469, divided as follows, viz.: Railroad, 23,301.942 miles of transportation at $2,567,044, about 11 cents a mile; steamboat, 2,112,134 at $253,274, about 12 cents a mile; "celerity, certainty, and security," 30,901,281 at $2,998,151, about 9 7-10 cents a mile.

Under an advertisement dated March 22, 1864, inviting proposals for service from Atchison, Kansas, or St. Joseph, Missouri, to Folsom City, California,

JOHN H. HEISTAND, of Lancaster, Pennsylvania, was the lowest bidder, at $750,000 per annum; but his bid having been subsequently withdrawn, contracts have been made with BEN. HOLLADAY, of New York, for the service between Atchison, or St. Joseph, and Salt Lake City, at $365,000, and with WM. B. DINSMORE, President of the Overland Mail Company, also of New York, from Salt Lake City to Folsom City, at $385,000, making an aggregate $750,000 per annum. These parties are believed to be able to fulfill their obligations. The contracts are from October 1, 1864, to September 30, 1868; the trips to be made in sixteen days eight months in the year, and in twenty days the remaining four months; to convey through letter mails only, mail matter prepaid at letter rates, and all local or way mails.

Paper and document mails for the Pacific coast are to be carried by sea, *via* New York and Panama, temporary arrangements having been made for their conveyance, within the sum named in the law of March 25, 1864, viz.: $160,000 per annum, making the whole expense of territorial and Pacific mails not over $910,000 per annum, or $90,000 less than under the former contract.

In this connection it is proper to add that, from information which has recently reached me, I am apprehensive that the postal service in the Pacific States is not in as good condition as should be desired; and I may have occasion to communicate with Congress upon the subject during its approaching session.

Inquiry has been made of Lieutenant-General GRANT relative to the existing arrangements for supplying our armies with mails, with the assurance of my earnest purpose to co-operate with him in carrying into effect any desired improvements of that service; and I am gratified to learn, from his reply, that the system of receiving and forwarding mails now in operation is entirely satisfactory; and that "our soldiers receive their mail matter with as much regularity and promptness as is possible for armies in the field; and with perhaps as much celerity and security as the most favored portions of the country.

The aggregate postage (sea, inland, and foreign) upon the correspondence exchanged with Great Britain, Prussia, France, Hamburg, Bremen, and Belgium, amounted to $1,399,605 69, being an increase of $174,930 48, as compared with the last year, and $211,458 37 in excess of the largest amount realized in any previous fiscal year. The collections in this country amounted to $881,730 68, and in Europe to $517,875 01; excess of collections in the United States $363,855 67. This result is significant and gratifying, showing a largely increased correspondence with Europe, notwithstanding the civil troubles agitating the country, and the interruption of postal communications with the Southern States.

The amount paid by this department for mail steamship service to and from Europe was $371,740 44—the steamships employed receiving the sea postage on the mails conveyed as compensation for the service. Of this amount the Liverpool and New York and Philadelphia Steamship Company received $202,914 34 for fifty-two outward and fifty-three inward trips between New York, Queenstown, and Liverpool; the Canadian mail packets, $77,175 30 for fifty-three round trips between Portland and Liverpool and Quebec and Liverpool; the North German Lloyd Steamship Company, $46,149 61 for sixteen outward and fifteen inward trips, and the New York and Hamburg Steamship Company, $45,501 18 for thirteen outward and twelve inward trips, between New York and Southampton.

The total postages on the correspondence exchanged with British North American Provinces during the year amounted to $307,371 39, being an increase of $81,628 09 over the amount reported last year, and $129,618 88 over that for the previous fiscal year.

The total postages on the mails conveyed to and from the West Indies amounted to $59,990 18, and the cost of transporting the same to and from Havana and other West India ports was $40,337 03, being $19,653 15 less than the United States postages on the mails conveyed.

The provisions of the 4th section of the act of June 15, 1860, have not been construed by this department as *requiring* the Postmaster General to allow the

sea and inland postages on the mails conveyed, to all American vessels, but simply as limiting the compensation in any case to that amount.

The United States postages upon the correspondence exchanged with Central and South America, *via* Aspinwall and Panama, amounted to $14,208 51, all of which was paid to CORNELIUS VANDERBILT for the sea and Isthmus transportation.

The initiatory steps taken to conclude postal arrangements with the colonies of Vancouver's Island and British Columbia, referred to in the last annual report, have not as yet been attended with the success anticipated.

In conformity with the provisions of the act "to authorize the establishment of ocean mail steamship service between the United States and Brazil," approved May 28, 1864, an advertisement was issued inviting proposals for carrying the mails of the United States by a monthly line of first class American sea-going steamships, between a port of the United States north of the Potomac River, and Rio Janeiro, in Brazil, touching at St. Thomas, in the West Indies, and at Pernambuco and Bahia, in Brazil, for a contract term of ten years, to commence on or before the first day of September, 1865, and to date from the day the first steamship of such line shall leave the United States with the mails for Brazil. Three proposals were received for this service, the lowest and the accepted bid being that of the New York, Nuevitas, and Cuba Steamship Company, with THOMAS ASENCIO & Co. and MANUEL J. MORA, of New York, as guarantors for the performance of the required service, at the sum of $240,000 per annum, to be divided equally between the two governments. The act authorizing the establishment of this line of American steamships was the beginning of a new era in the history of our ocean mail service, which is being performed principally by steamers sailing under foreign flag.

There are other ocean routes besides the one to Brazil, which can be safely and profitably occupied by American lines of mail steamers, among which the route between San Francisco, Japan, and China, at present unoccupied by foreign mail packets, is perhaps the most important in a commercial point of view.

Various considerations render it important that the Pacific routes properly belonging to us, should be occupied by American mail steamers, the profits of which with the addition of a small subsidy for the mail service, would justify the establishment of one or more steamship lines, which would be remunerative to the proprietors.

The number of dead letters of every description received and examined during the year was 3,508,825, being an increase of 958,409 over the preceding year, attributable mainly to the return of large numbers of army and navy letters which it was found impracticable to deliver.

During the year there were registered and remailed to their respective owners, as containing money, 25,752 letters, containing an aggregate of $131,611 24, of which number 20,059 containing $104,665 84, were delivered; 4,412 letters, containing $20,485 49, were returned to the department, being addressed chiefly to soldiers and sailors, and persons transiently at places of mailing or address.

NAVAL ORDNANCE.

The Chief of the Bureau of Ordnance (H. A. WISE) makes an elaborate report to the Secretary of the Navy, setting forth in detail the results of the year and the experiments made with new inventions. The growing demands of the navy have been fully supplied; 1,522 guns of different calibres having been manufactured during the year. The present aggregate is not stated in the report. In the rifled ordnance adopted, no changes have been made, except in the introduction of a 60-pounder among the Parrotts. This, as an intermediate between the 30 and 100-pounder, has been found of great service as a chase gun, fully supplying the place of the 50 pounder of Admiral DAHLGREN's system. It is gener-

ally used as a pivot gun, and, as its bore corresponds with that of the army smooth bore 18-pounder, the round projectile of the latter is always available where high velocities are needed at close range.

Bronze howitzers and rifles have been introduced, as the special armament of many transports of the War Department. As a special gun for long range in chase, the 20-pounder three grooved rifle is preferred, and it now occupies a prominent place in the armament of the double-ender vessels.

ARMAMENTS OF SHIPS OF WAR.

The governing rule in arming our ships of war is to furnish batteries of the very heaviest guns they can bear with safety. Nine-inch guns are generally used for broadside; 10 and 11-inch guns and Parrott rifles on pivot; 15-inch guns for monitors; and bronze howitzers and rifles for boat and deck service in shore. A few of our ships continue to be armed with the 32-pounder and 8-inch gun of the old system, but these will probably give way to the modified guns of similar classes.

The battery of a first-rate ship of war is forty eight cannon and four howitzers, one of the guns being a rifled 150-pounder; that of a second-rate is twenty-four guns, including two rifled 100-pounders and two howitzers; of a third-rate ten guns, including two rifled 100-pounders; of a fourth-rate four guns, including one rifled 20-pounder. The development of the power of ships named in the report as representatives of the several rates is as follows:

	In shot, lbs.	In shell, lbs.
First rate	2,606	2,123
Second rate	1,220	990
Third rate	434	343
Fourth rate	210	183
and	294	255
In the monitors:		
Tonawanda	1,764	1,320
Onondaga	1,180	930
Montauk	606	465
In the Western gunboat:		
Carondelat	583	480

These figures express the weight of metal thrown for breaching purposes by the guns at a single broadside in solid shot or shells. Conjoined with these, however, are the destructive agencies of grape, canister, and shrapnel, available at all times in the general course of naval warfare, but especially when used against uncovered masses of men. The effective power of a ship is therefore increased in a very great degree by these auxiliaries, which are common to both rifle and smooth bores, excepting grape, which is not used in the rifles.

PIVOT GUNS.

The decisive power of the heavy pivot gun, strikingly exemplified in the fight between the Kearsarge and Alabama, is dwelt upon in the report, and the following comment is added:

"There can be no question with regard to the superiority of the 11-inch guns over the Blakely 120-pounder and the 68-pounder of the English pivot system, either in penetration, smashing effect of the shot, or explosive power of the shells. Hence, although the vessels were nearly equally matched as to tonnage, motive power, and number of men and guns, yet the prepondering influence of calibre, properly disposed in pivot, and coolly and deliberately handled by American seamen, was sufficient to settle the question briefly and most conclu-

sively. For the Alabama was sunk in a little more than an hour after the Kearsarge began firing, and the English and French navies were thus taught a lesson in practical gunnery and seamanship, which they will not soon forget.

"The result of this action may therefore be taken as proving, beyond doubt, the wisdom of arming our ships with a mixed battery of pivot and broadside guns, taking due care to place on board of each ship the heaviest and most powerful guns that she can safely carry and manage with ease in all weathers."

QUALITY OF GUNS.

The report claims that it is no idle boast that the cannon of our navy, made exclusively from American iron, are not surpassed by those of any other nation; and this, it is added, "will continue to be the case so long as the enterprise of our citizens is left untrammeled, and full opportunities are afforded for the exercise of their skill in this most important art."

The Fort Pitt foundry, and two others, in South Boston, and Reading, Pennsylvania, have taken contracts for making 15-inch guns. Several other foundries are engaged in making guns of lighter calibre.

EXPERIMENTS.

During the past year experiments have been systematically made, with both shells and shot, from smooth bores and rifles, of all the heavier calibres. The power of the guns belonging to our navy, and in common use in the batteries of our ships, have been fairly tested against both solid and built up plates, and the conclusion reached is wholly in favor of the guns and their solid projectiles—the spherical shot for smooth bores being, however, immeasurably superior to the elongated rifle shot in every form. No manner or thickness of iron or steel armor that could be carried on the hulls of sea-going ships will resist the impact of solid spherical shot, fired from the heaviest calibres of the navy, at close range, with appropriate charges of cannon powder. It was generally accepted an an established fact that it was impossible to cast a spherical shot of large diameter which would be solid throughout. It is now known, however, that it is easy to cast a 15-inch or 20-inch shell which will be perfectly sound and solid from circumference to center of figure, and one of the former has resisted, without breaking, two hundred and twenty-two continuous blows of an eight ton steam hammer.

GUNPOWDER AND NITRE.

The consumption of gunpowder by our squadrons in service, and for experimental practice during the year, required a supply of 1,325,000 pounds of powder and 575 tons of nitre, 500 tons of the latter being domestic, and supplied entirely from the New Haven Chemical Works, the only establishment that has yet undertaken its manufacture for the navy.

The number of mills engaged in the fabrication of powder for the navy has been diminished by one since the last report, so that the only present sources of supply are the works of Messrs. DUPONT and those of the Schaghticoke, Hazard and Union Powder companies. Their product has been quite sufficient to supply the demand, although frequent explosions have occurred to retard their operations.

Congress is earnestly urged to make special provision for the encouragement of the production of nitre.

The establishment and maintenance of a thoroughly organized gunnery ship, for the training of officers and men in all the details of gunnery, is earnestly recommended by the bureau.

COMMERCIAL REGULATIONS.

DECISIONS OF THE TREASURY DEPARTMENT UNDER THE TARIFF ACTS.

THE following decisions have been made by the Secretary of the Treasury, of questions arising upon appeals by importers from the decisions of collectors, relating to the proper classification, under the tariff acts, of certain articles of foreign manufacture and production, entered at the ports of New York, Boston, &c. :—

ORGANZINE SILK, NOT IN THE GUM.

Treasury Department, October 5, 1864.

SIR:

Your appeal, dated September 20, 1864, (No. 2,369.) from the decision of the collector at New York, assessing duty, at the rate of 50 per cent ad valorem, on certain organzine silk imported by you, is received.

You claim "that the article is subject to only 35 per cent duty ad valorem, as being an unmanufactured article." "The organzine silk in question has been washed only, and is in nowise a manufactured article."

The experts of the customs report, in substance, as follows: The article referred to is organzine silk not in the gum; it is a manufacture of silk, and is therefore properly classified as a manufacture of silk not otherwise provided for, and liable, under the 8th section of the act of June 30, 1864, to 50 per cent ad valorem duty.

The decision of the collector is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To B. G. WAINWRIGHT, Esq.,
Post Office Box, 747 New York City.

KRUPT'S CAST-STEEL TIRES, AXLES, SHAFTS, &c.

Treasury Department, October 6, 1864.

SIR:

Messrs. THOMAS PROSSER & SON have appealed from your decision assessing duty, at the rate of 45 per cent ad valorem, under the 43d subdivision of section 3 of the act approved June 30, 1864, on certain articles designated as "Krupt's cast-steel tires, axles, shafts, and other fogings in the rough."

The appellants claim to enter them as "steel in any form, not otherwise provided for, thirty per cent ad valorem," as provided for by the 33d subdivision of section 3, act approved June 30, 1864.

For the reasons given in the decision of this Department under date of December 23, 1863, on the appeal of Messrs. PAGE, RICHARDSON & Co., I am of the opinion that your decision in assessing duty on the importation of Krupt's cast-steel tires, &c., at the rate of 45 per cent, was proper, and it is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To SIMEON DRAPER, Esq.,
Collector, New York.

LOOMS AND SHUTTLES.

Treasury Department, October 10, 1864.

SIR:

JOHN W. STEARNS has appealed from your decision assessing duty, at the rate of 45 per cent ad valorem, on certain Looms and Shuttles imported by him in the steamer "Hecla," from Liverpool, and claims that, whilst the latter are properly assessed—being composed partly of steel—at 45 per cent, the former, being iron, are liable to only 35 per cent under the provision in the 3d section of act approved June 30, 1864, as follows: "On all manufactures of iron not otherwise provided for, thirty-five per centum ad valorem."

The appraisers report as follows: "We regard the steel portion (the shuttles) as an indispensable appendage to the loom, which is the machinery referred to; and therefore, although contained in separate packages, or, as in the present case, contained in the same package with the loom, but separately charged for on the invoice, must be deemed a component part of the manufacture, clearly rendering the manufacture of the machine complete, subject to the provision of the existing tariff above quoted, viz: 'On all manufactures of steel, or of which steel shall be a component part, not otherwise provided for.'"

I do not concur with the appraisers in their special report, in which they claim that although the machine known as a loom is not a manufacture of which steel is a component part, yet the shuttle, which is an accessory machine, a machine *per se*, being composed partly of steel, renders the whole importation a manufacture of steel in part, and subjects it to 45 per cent. duty.

The Department, in analagous cases, where the classification of different articles in the same package could be easily determined, has directed that the rate of duty applicable to each *per se* should be separately levied.

I am advised that the opinion here expressed is in accordance with the views entertained by you on the subject.

You will please have the entry adjusted accordingly.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To SIMEON DRAPER, Esq.,
Collector, New York.

STAVES, ETC.

Treasury Department, October 11, 1864.

SIR:—Messrs. Sherman & Wibirt have appealed from your decision assessing duty, at the rate of 10 per cent. ad valorem, under section 6, Act of July 14, 1862, "as staves for pipes, hogsheads, or other casks," on certain rough staves imported by them from Canada.

The appellants claim "that these staves are exempt from duty under the reciprocity treaty with Great Britain, being included in 'schedule of articles free of duty,' in article 3 of said treaty, under the head of timber and lumber of all kinds, round, hewed, and sawed, unmanufactured in whole or in part."

In the regulations (article 921) under the reciprocity treaty between the United States and Great Britain, concluded June 5, 1854, it is provided that "articles of wood entered under these (timber and lumber) or any other designations, remain liable to duty under the existing tariff, if manufactured in whole or in part by planing, shaving, turning, *splitting*, or riving, or any process of manufacture other than rough-hewing or sawing."

It is admitted by the appellants that the articles in question are *split*, and consequently they are clearly embraced in the provision just quoted. Similar appeals have been made to the Department, and the action of the Collectors has been uniformly affirmed. I see no reason for changing the practice.

Your decision is affirmed in the cases of Sherman & Wi birt as presented in their appeals dated and numbered respectively September 9 and October 4, 1864, (Nos. 2,362 and 2,377.)

I am, very respectfully,
W. P. FESSENDEN,
Secretary of the Treasury.

To SIMEON DRAPER, Esq., Collector, New York.

CAMERA TUBES—MANUFACTURES OF GLASS.

Treasury Department, October 17, 1864.

SIR:

Messrs. B. FRENCH & Co. have appealed (No. 2,387) from your decision assessing duty at the rate of 40 per cent ad valorem, under the last subdivision of section 9 of the act approved June 30, 1864, on certain "Camera tubes" imported by them,—as a manufacture of which glass is a component material.

The article is a brass tube, fitted with lenses, and an adjusting screw, and is part of a photographer's camera.

The appellants contend that the article in question is provided for under the clause of 13th section of tariff act of July 14, 1862, imposing a duty of 35 per cent ad valorem on "manufactures, &c., not otherwise provided for, of * * brass * * or other metal, or of which either of these metals, or any other metal, is the component material of chief value."

This provision is not a specific provision for "camera tubes;" they are still non-enumerated. As the tariff stands, the article is as well described by the language of one section as the other; the classification is therefore determined by the provisions of the 20th section of act of 1842, assessing duty on non-enumerated articles at the highest rate of any of their component parts.

Your decision is hereby affirmed.

I am, very respectfully,
GEO. HARRINGTON,
Acting Secretary of the Treasury.

To J. Z. GOODRICH, Esq., Collector, Boston, Mass.

OLIVE OIL, IN CASKS.

Treasury Department, October 18, 1864.

SIR:

Messrs. MAGUIN, GUERIN & Co. have appealed (No. 2,384) from your decision assessing a duty of one dollar per gallon on certain "olive oil in casks" imported by them per ship "Romaine" from Marseilles, and claim that olive oil in *casks* should not be returned as salad oil, unless it is a very superior and costly article, such as is sent in bottles or flasks, exclusively for salad use, and further claim that their importation in question is liable to only 25 cents per gallon under the 5th section act July 14, 1862, which imposes that duty on "olive oil, not salad."

In the act approved June 30, 1864, 11th section, a duty of one dollar per gallon is imposed on olive oil in flasks or bottles, and salad oil.

The experts of the customs, to whom the subject was referred, report substantially as follows:

Whether olive oil is salad oil or not, depends upon the quality, and not whether it is imported in casks, or in any other manner. The olive oil in question is of such a quality, which, in our judgment, clearly renders it salad oil, and liable to the duty of one dollar per gallon under section 11 of the act of 1864.

Your decision is hereby affirmed.

I am, very respectfully,
GEO. HARRINGTON,
Acting Secretary of the Treasury.

To SIMEON DRAPER, Esq., Collector, New York.

CLAY PIPES.

Treasury Department, October 19, 1864.

SIR:

Messrs. I. HAMBURGER & Co. have appealed (No. 2,389) from your decision assessing duty, at the rate of 75 per cent ad valorem, and $1\frac{4\,4}{1\,0\,0}$ per gross on certain clay pipes imported by them per ship "Victoria" from London, and claim that they should be admitted at 35 per cent ad valorem, under the clause in section 13, act June 30, 1864 viz.: "on pipes, clay, common or white."

The articles in question are *colored* clay pipes, and white clay pipes, *with India rubber bands at the tip*, and are not the articles known and commercially recognized as "common" or "white clay" pipes, being advanced beyond the "common" condition by quality and coloring, and by the addition of India rubber bands, which the "common or white clay pipe" does not exhibit.

The article is therefore provided for in the same section (13) of the act of June 30, 1864, in the clause "on meerschaum, wood, porcelain, lava, and *all other* tobacco smoking *pipes*, and pipe bowls, not herein otherwise provided for, one dollar and fifty cents per gross, and in addition thereto seventy-five per centum ad valorem."

Your decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To SIMEON DRAPER, Esq., Collector, New York.

THE MARINE INSURANCE COMPANIES FOR 1864.

THE success of insurance business the past year is almost beyond precedent. With regard to marine insurance, one, knowing the effect of the war on our commerce, would have anticipated a very different statement, since small business and large losses would naturally follow in the wake of the rebel privateers. Just the contrary of this, however, has been the result, for never have the earnings and dividends been larger. If, for instance, we take the returns of the following leading marine companies in this city, (we omit those also taking fire risks.) to wit, the Atlantic, Great Western, Columbian, Mercantile, Commercial, Sun, Orient, New York, Mutual, and three others, we will find that the aggregate amount of premiums received during the year by these companies doing marine business alone to have been about $29,000,000—a large sum even in these days of large figures. This interest, too, has increased immensely within a few years. It seems but a day since the Columbian advertised a capital of only $500,000, while now its assets are about $6,000,000, and steps are being taken to add a million and a-half more to its capital. The Great Western has also met with wonderful success, increasing its assets largely, and making a statement of its business for the past year, which certainly shows unusual prosperity. As to the Atlantic, it holds its old place. Probably there is no marine office in the world which transacts the business every year that is done there.

But besides these companies doing only marine business, there are others which issue both fire and marine policies, as, for instance, the Metropolitan and Harmony. More than a million dollars have been received in marine and fire premiums by the Metropolitan during the past year, and it has just declared a dividend of ten per cent to its stockholders, and a scrip dividend of fifty per cent to its profit sharing patrons. By enterprising and judicious management it has been enabled during the twelve months just past to double its business and largely increase its assets.

We think our merchants may truly congratulate themselves on their continually improving facilities for marine insurance.

THE BOOK TRADE.

Diary of Mrs. Kitty Trevylyan: A Story of the Times of WHITFIELD and the WESLEYS. By the author of "Chronicles of the Schonberg-Cotta Family," etc., with a Preface by the author for the American edition. New York: M. W. DODD, 506 Broadway.

We are rejoiced that the authoress of the Schonberg-Cotta Family is adding a new luster to her reputation by this last work. The whole reading world gave a sigh of disappointment when the "Early Dawn" succeeded the inimitable "Chronicles," not because it lacked merit or interest, but because it fell so far short of its predecessor in these two qualities. The "Diary of Mrs. KITTY," however, is fully equal to that of ELSIE and FRITZ in all that is natural, simple, and charming. The period in which it is written, too, is one of hardly less interest than that of the reformation, being a time of great religious controversy and change, when the preaching of WHITFIELD and the WESLEYS stirred all England to its hearts core. The style is exceedingly pleasant, and the characters most life-like, but the chief power of the book, after all, lies in the exquisit humor with which the religious eccentricities of doctrines and people are shown up, and in that higher attribute which discerns and reveres a pure religious faith, in whatever nation or age or sect it may be found. Men would be wise to remember what this little book so beautifully teaches, that while names divide and doctrines repel, the one hope and one faith of every truly Christian heart forms a tie that is drawing them all together into a closer brotherhood, and welding them more surely into a unity that is indissolable and eternal.

We give below two extracts from the "Diary," not as the best that can be gleaned from it, but as fair specimens of its style and spirit. Aunt HENDERSON is a follower of JOHN WESLEY, and a stout champion for his doctrine of perfection, which, perhaps becomes somewhat exaggerated, like other doctrines, as it travels the further from the original source. Having combatted in vain Scotch Aunt JEANIE and English Mrs TREVYLYAN, she suddenly makes a master stroke, and holds up her two opponents as the proofs of her argument:

"KITTY, my dear, your mother and aunt JEANIE are the best women I know. They are as good examples of perfection as I ever wish to see. They may argue against the doctrine as much as they like, but they prove it every day of their lives. You understand, my dear, the WESLEY only argues for *Christian*, not for *Adamic* or *Angelic* perfection. He admits that even the perfect are liable to errors of judgment, which your poor mother also proves no doubt, by her little bigotry about the church, and aunt JEANIE by two or three little Presbyterian crotchets."

We cannot refrain from gving our readers a piece of BETTY'S mind, for BETTY is the character of the book, a faithful old tyrant, as trenchant as she is trusty, and not to be slighted for fear of unpleasant results. She declares herself to be quite above all superstitions, but at the same time she is brim full of the most doleful signs and tokens, and quite disgusted because events dont carry them out. At last, however,

BETTY coming down in the dusk, and going into the dairy, fell over the stable-bucket, which ROGER had left in the way, and broke her leg. The Falmouth doctor came at once and set it, and says it is not at all a difficult or serious case.

But BETTY, never having had an illness which prevented her from moving about, in her life, grimily sets the cheery doctor at defiance, and takes it for granted that she is dying.

"And its a comfort to me Mrs. KITTY," she said to me this evening, "to think I am,

It'll be a warning to ROGER as long as he lives, that's one thing; for if I've told him once about leaving that bucket in the way, and said it would be the death of some one, I've told him so scores of times; and now he'll see that I told him the truth. That is one thing Mrs. KITTY; and another is the signs and the tokens. They'll all be made plain." * * * * * * * * * * *

"But BETTY," I said at last, "it is no better than the heathens to heed such fancies. We must open our hearts wide to the Bible, and let the light of the truth and the breath of the spirit shine and search through every corner. What are all the forebodings in the world to one hour of hearty prayer! Remember, prayer was stronger even than ST. PAUL'S forebodings; for he said he perceived that the voyage would be with much hurt and damage, not only of the ship, but also of their lives. Yet, afterwards, when he had fasted and prayed, he stood forth and said that *God had given him the lives of all* that were in the ship; and though the ship was wrecked, not one life was lost."

"There *be* some prayers," said BETTY, "that can move heaven and earth."

"And prayer was stronger than prophecy once," I said, "not the prayer of an apostle, BETTY, but of a poor sinful heathen city. Nineveh was saved, let JONAH be disappointed as he might at his words being set aside."

"Well Mrs. KITTY," said BETTY dryly, "I hardly take it kind of you to put me down with that poor selfish old Jew. I've thought, many a time, it was as wonderful the Almighty should speak by him as by Balaam's ass—running away from his work, nearly sinking the ship and the sailors, and then sulking and creusling like a spoilt child, because the Lord was more pitiful than he, and the poor sinful men and women of that great city, and the poor harmless dumb beasts were spared. I can't say but I do feel hurt to be likened to him."

"BETTY," said I, "you know I never meant to compare you to the prophet JONAH. * * * I want you to hope BETTY, because the more we hope the better I think we pray."

"Well my dear," said BETTY relaxing, "young folks most times find it easy enough to hope. If the sun shines for an hour, they think there'll never be winter again; and if old folks don't keep their wits about them, where'll the fire wood be when winter comes?

"And Mrs. KITTY my dear, I meant no disrespect to the Prophet JONAH; poor fearful soul he had his troubles sure; and if I'd been in his place I won't say I mightn't have been worse than he, although I do hope the Almighty would have kept me from caring for some poor bits of leaves, that grew up like mushrooms in a night, just because they made me cool, more than all the people in that great town, especially the innocent babes and the dumb beasts."

We might, indeed, fill pages with pieces of Mrs. BETTY'S mind, but we refrain, feeling sure that our readers will be satisfied with nothing less than the whole of the "Diary of Mrs. KITTY TREVYLYAN."

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Engd by W. G. Jackman

Yours Truly
M. Sturgis

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

MARCH, 1865.

HON. WILLIAM STURGIS,

OF BOSTON.

It is an instructive fact that the men who of late years have been chiefly distinguished, in New England, for elevation of character, and who have acquired the largest fortunes and exerted the greatest influence upon commercial and manufacturing interests, were men of no early advantages; with no means of providing their daily bread but their own industry; no better education than our public schools afforded; and no patrons but such as faithful service in humble stations had acquired for them. Samuel Appleton, Nathan Appleton, Amos Lawrence, Abbott Lawrence, and William Appleton, are names familiar among us as household words, in their suggestion of ability, wealth, influence, and intellectual and moral pre-eminence. And to the same list may be added the names of Francis C. Lowell and Patrick T. Jackson, who, under some few circumstances usually esteemed more advantageous, rose, independently of them, to be the architects of their own fortunes, and the founders of the vast manufacturing interests of the Eastern States.

The energy, self-devotion, personal independence, moral purity, and earnestness, ever exhibited by these eminently and truly successful men, find a new and wonderful illustration in the subject of this Memoir; who, entering life upon a little farm on the sands of Cape Cod, began his career of self-reliance when sixteen years old, as a sailor-boy before the mast, on wages of seven dollars a month, and has recently closed his days on earth at the ripe age of eighty-one years,—possessed of a most ample estate, standing with his family in the foremost rank of American society, and distinguished for a highly cultivated intellect, and for remarkably extensive knowledge, that embraced not only the commerce of the globe, but a wide field of historical and literary information. Nor was he less con-

spicuous for firm and liberal principles, for a clear perception of justice, for a high sense of honor, for generous sentiments and tender affections; and he died surrounded by numerous and ardent friends of all ages—from gray-haired contemporaries, to the little children who loved to gather around him to listen to his tale of marvels and adventures among the Indians of the North-west Coast.

William Sturgis was born on the twenty-fifth day of February, 1782, in the town of Barnstable, on Cape Cod, in Massachusetts, near to Plymouth, the landing-place of the Pilgrims of the "Mayflower." His father, of the same name, was a highly respectable shipmaster of Barnstable, who for many years sailed in command of various vessels from Boston. He was a lineal descendant of Edward Sturgis, the first of the name in this country, who came over from England in 1630, and, having first settled at Charlestown, afterwards removed to Yarmouth, where, in 1638, he is recorded as one of the "first planters" of that town.

His mother was Hannah Mills, the youngest daughter of the Rev. Jonathan Mills, a graduate of Harvard University, who was settled in the ministry at Harwich, where he died.

His earliest introduction into life was to a sphere of usefulness and responsibility. His father's nautical pursuits kept him from home for the greater portion of his time, leaving to his wife the care of the young family (of which William was the eldest child and the only son), and of the few acres of land that constituted what was then called a Cape-Cod farm. She was a capable and energetic woman, with a large share of sound common sense; but she found it indispensable to avail herself of the aid of her son, as soon as he was old enough to afford any, in the management of their domestic affairs. She was, however, too judicious to suffer her requirements to interfere with his regular attendance at school, whenever one, public or private, was within reach.

At the age of thirteen, she sent him to a private school at Hingham, kept by Mr. James Warren, son of General Warren of Plymouth, a prominent patriot of Revolutionary times. Here he passed a year; and in a memorandum made by him, from which this brief account of his life is chiefly taken, he testifies to his teacher's fidelity by saying, "If I did not make sufficient progress, it was not the fault of the instructor, who was attentive and efficient." As to the faithfulness with which this brief opportunity for gaining the rudiments of an education was improved, his subsequent life furnishes decided and satisfactory testimony. These, however, were the last of his school days. In the year 1796 he came to Boston, and entered the counting-house of his kinsman, the late Mr. Russell Sturgis, at that time largely engaged in the purchase and exportation of what were denominated "shipping furs."

It must be remembered that Mr. Sturgis was then only fourteen years of age, and yet, during the eighteen months he remained in this situation, he so faithfully improved his time and means for acquiring knowledge, as to familiarize himself with the business of his employer, and thereby in a peculiar manner became prepared for taking advantage of the contingencies which soon unexpectedly presented themselves. We well know that there is a divinity that shapes our ends: still we also know that if we do not use the means Providence is wont to bless, neither circumstances will help us nor divinity aid us. Success is within the reach of every

man who improves his every advantage. What are called fortuitous circumstances happen to all. Some, however, have fitted themselves, by previous study, for taking advantage of them, while others have not. Thus was it in the case of Mr. STURGIS. When he entered that counting-house he had no idea the information he might acquire would ever be of any particular use to him. His taste was rather for the sea. Still he went to work earnestly and faithfully, thoroughly acquainting himself with the details of the business, so that when the occasion to use this knowledge arose he was fully prepared.

After remaining in the service of Mr. RUSSELL STURGIS nearly eighteen months, he entered the counting-room of Messrs. JAMES and THOMAS H. PERKINS, merchants of great eminence and extensive commercial relations, and at that time much engaged in trade with the North-west Coast and China.

About this time, and in the year 1797, his father died abroad, his vessel having been captured and plundered by piratical privateers in the West Indies. His family were left in straitened circumstances; and WILLIAM, being now thrown wholly upon his own resources, and compelled to adopt some occupation that might not only secure his present support, but give promise of future success in life, did that "which was most natural for a young Cape-Cod boy to do" under such circumstances,—he decided "to follow the sea."

The rudiments of navigation had been taught at the school he attended. But now he set earnestly to work, devoting all the time that could be spared from his duties in the counting-room to the acquisition of such further knowledge of the theory and practice of the art as would qualify him for office on board of a ship; and after a few months of diligent study under the instruction of Mr. OSGOOD CARLTON, a well-known and highly respected teacher of mathematics and navigation in those days, he was pronounced competent to navigate a ship to any part of the world.

In the summer of the year 1798, his employers, the Messrs. PERKINS, were fitting out a small vessel, the "Eliza," of one hundred and thirty-six tons (below the average in size of those now employed in the coasting trade), for a voyage to the North-west Coast, San Blas on the western coast of Mexico, and China, under the command of Captain JAMES ROWAN. This officer was a good practical seaman, without education or much theorectical knowledge of navigation; but, having been several times on the North-west Coast, he was well qualified to carry on a trade with the Indians, which was conducted wholly by barter. The large number of the crew for a vessel so small, amounting to one hundred and thirty-six men, but necessary for defence against the Indians, rendered the passage one of great discomfort to those before the mast, and exposed the "green hand" to a somewhat severe experience of the hardships of a sailor's life. They sailed from Boston early in August; and, after touching at the Falkland and the Sandwich Islands, they reached the North-west Coast in the latter part of the month of December. Captain ROWAN soon perceived the peculiar qualifications and efficiency of young STURGIS, and selected him as his assistant in the management of the trade. Thus early in life he was able to turn the information obtained in the counting-house to a good account. With his usual faithfulness and thoroughness he now devoted himself not only to the mastery of the business in all its

details, but also to a laborious study of the Indian languages, and to the cultivation of friendly relations with the natives by kind words and courteous manners, as well as by the most scrupulous truthfulness and honor in his dealings with them. By such means he soon succeeded in securing a degree of affection, respect and influence among these natives of the forest, to which no other white man had ever attained. Indeed, his name has ever since been cherished by these untutored savages with singular affection and reverence, in sad contrast with their recollections of the vices and barbarities of others, whose superiority in civilization, if such it can be called, served only as the means of brutal excesses, frauds and cruelties, of which the former experience of the poor Indian afforded no parallel. Among the latest tidings from that decaying race came affectionate inquiries from an aged chief concerning his old friend, "the good Mr. STURGIS,"—the dying echo of the influences of a noble character upon the children of the forest, still reverberating, after more than sixty years, from the shore of the Pacific Ocean to his grave on the shore of the Atlantic.

After visiting numerous tribes, and disposing of the portion of the cargo destined for that coast in exchange for sea-otter skins and other furs, they anchored in the port of Caiganee, in latitude 55° north, much frequented by trading vessels. Here they found two Boston ships—the "Despatch," commanded by Captain BRECK; and the "Ulysses," by Captain LAMB. The crew of the latter ship were in a state of mutiny. They and the officers having revolted a few days before, had seized the captain, put him in irons, and confined him to a state-room, with an armed sentry at the door. This was alleged to have been done in consequence of the cruel treatment by LAMB of those under his command. Captains ROWAN and BRECK interfered, obtained his release, and took him on board of the "Eliza." After negotiations with the mutineers, occupying several days, and a promise by LAMB to pardon all that had been done, and to treat them better in future, the crew, with the exception of the officers and two seamen, consented that he should resume the command of his ship. This was done; the second and third mates, with the two unwilling seamen, being taken on board the other vessels, and the chief mate being confined in irons on board of the "Ulysses." This arrangement left that ship with no officer excepting the boatswain, who was illiterate, and without a knowledge of navigation. Captain LAMB made very liberal proposals to induce some officer from the "Eliza" or the "Despatch" to take the situation of chief mate on board of his ship, but unsuccessfully; his reputation for ill treating his officers as well as his men was so bad that no one was willing to go with him. It was indispensable, however, that there should be some officer on board capable of navigating the ship, and of managing the trade with the Indians, to take the place of Captain LAMB, in the event of his death, or his inability to continue in command.

Young STURGIS being competent for both of those duties, although deficient in practical seamanship, Captain LAMB proposed that he should take the place of chief mate of the "Ulysses," with liberal wages; and should also act as his assistant in trading with the Indians, and for his services should receive a small commission upon all furs collected on the Coast. Such an offer to a lad of seventeen, then a boy in the forecastle, doing duty as a common sailor, but eager for advancement in the profession he had chosen, was too tempting, in regard both to station and

emolument, to be rejected; and on the thirteenth day of May, he left the "Eliza," and joined the "Ulysses," though not without serious misgivings. They remained on the Coast, collecting furs, until November; when they sailed for China, and arrived at Canton near the close of the year. There they found the "Eliza," which, after visiting several ports on the western coast of Mexico, reached Canton in October, and was then nearly ready to sail for home. Young STURGIS had found his situation on board of the "Ulysses" less uncomfortable than he had apprehended, but nevertheless far from being a pleasant one; and he eagerly accepted a proposal from Captain ROWAN to rejoin the "Eliza," and take the position of third mate on her homeward passage. As Captain LAMB could easily procure experienced officers at Canton, he consented to this arrangement; and, professing entire satisfaction with the manner in which Mr. STURGIS had performed his duties, promptly paid him his wages and commissions. The "Eliza" soon afterwards sailed, and arrived in Boston in the spring of the year 1800.

The reputation of Mr. STURGIS was now so far established, that he was immediately engaged to serve as first mate and assistant trader on board of the ship "Caroline," owned by Messrs. JAMES and THOMAS LAMB and others, and then fitting out for a three-years' voyage to the Pacific Ocean and China, under the command of Captain CHARLES DERBY of Salem,—a worthy man, but not particularly qualified for the enterprise, as he was in feeble health, had not before visited the coast, and knew nothing of the Indian trade. He appeared to be in a consumption when they sailed; and his health failed so rapidly, that, before the end of the first year, he virtually gave up the command to Mr. STURGIS; and, in the course of the second year, he formally resigned it to him, went on shore at the Sandwich Islands, and there died shortly afterwards.

Thus this young man, at the early age of nineteen, and with less than four years' experience at sea, became master of a large ship in a far-distant country; the sole conductor of an enterprise requiring the highest qualifications of seamanship, together with the greatest energy and discretion in the management of a large crew, employed in peculiar and miscellaneous services on shore as well as on board; and requiring also unceasing vigilance and courage to prevent surprises and attacks by the savage inhabitants, and great judgment and skill in conducting a barter trade, now committed wholly to his care and responsibility. He proved himself worthy of the trust, for the voyage was completed with entire success. A valuable collection of furs was obtained on the cost; these were exchanged at Canton for an assorted China cargo, with which he returned to Boston in the spring of the year 1803, to the great satisfaction and profit of his employers.

It is difficult to imagine a state of more intense satisfaction and of more laudable pride, than that with which this youth, just entering upon manhood, and not yet invested with its legal responsibilities, must have greeted the shores of his native State. Only five years before, he had left it as a stripling before the mast, and he was now returning to it as the master of a noble ship, with a valuable cargo on board, the fruit in great measure of his own skill and exertions, and with the consciousness of an established reputation that would thereafter enable him to command opportunities in the road to rank and fortune.

These two voyages were unusual ones in many particulars. But especially remarkable was it that during them such responsibilities should have fallen on a mere boy, and that he should have been able to fill successfully the different trusts thus conferred upon him. Yet when we think of his previous, though brief, business life, and especially when we examine the "Diary" kept by him during his first voyage, all astonishment ceases, for we find he was a fully developed man even at that time. He had cultivated to such an extent the habit of doing thoroughly the work before him to do,—mastering and understanding it in all its details,—that success could not fail to follow his efforts. Thus this "Diary" contains a minute and accurate record of all the transactions, not only of his own vessel and trade, but also of all the vessels which they met on the Coast, or of which they could obtain any account: a full account and description of their voyages, the places visited, with the latitude and longitude of each; also, an account of the various Indian tribes, their manners, habits and modes of traffic, with criticisms and comments of great interest and value upon the manner of conducting the trade, and the vices, faults, follies and mistakes of those engaged in it: a detailed statement of the course to be pursued in order to make a successful voyage; also, a sort of dictionary or list of the most familiar Indian words—the English in one column, and those of the several tribes opposite to them in corresponding ones,—evidencing the pains he took for the accurate learning of their languages. Of these he became so thoroughly a master, that, as the writer of this memoir has been recently informed, by one engaged in like enterprises, and who saw him on the coast, he could converse easily with the natives in their own tongues upon all subjects, whether of religion, philosophy, morals or of trade.

Is there not, then, in this daily record which he kept a full explanation of his marvellous success? By this constant study of all the details and various elements and phases of the business in which he was engaged, he became the master of his profession, and was able, whenever a better opening offered, to fill it acceptably. If young men could remember and act upon the lesson these facts teach, it would be to them of great value. To acquaint oneself thoroughly with all the details of one's business, to perform its duties not only faithfully but with the determination to learn all that can be learned in it, is the sure road to promotion. Most are satisfied with accomplishing the labor required of them: but those who succeed are never satisfied so long as there is anything more to be done or learned.

Of course the owners of the vessel were solicitous for the continuance of such an agent in their service. She was accordingly at once fitted out, and sailed under his command on another similar voyage, which also proved eminently successful, terminating in June, in the year 1806.

Mr. Sturgis, or, as he was then uniformly styled, Captain Sturgis, was now foremost among all engaged in this department of commercial enterprise; and his services were of course eagerly sought for. Mr. Theodore Lyman, a merchant of Boston, largely interested in the North-west trade, had, at this time, two ships on the Coast; and was fitting out another for the same destination, named the "Atahualpa." He offered Captain Sturgis very liberal terms to take command of this ship and proceed to the Coast for one season, and assume the charge and direction of all his

business there; and thence to go on to Canton, taking with him one of the other two vessels, and the furs collected by all of them, to be exchanged for homeward cargoes. This offer was accepted; and, in October, he sailed on his fourth voyage round the world. Thus the sailor-boy of 1798 had become in 1806, as it were, an admiral, in command of a fleet upon the Coast, where, eight years before, he had arrived in the humblest station. This expedition also proved very profitable both to Mr. LYMAN and to himself, and terminated on his arrival in Boston in June, 1808.

The threatening aspect of the foreign relations of the United States, and the embargo which then paralyzed commercial enterprise, detained Mr. STURGIS at home until April, in the year 1809; when he again sailed in command of the "Atahualpa," for Mr. LYMAN, upon a direct voyage to Canton, with an outfit exceeding three hundred thousand Spanish milled dollars, to be invested there in a return cargo. In this adventure the late Mr. JOHN BROMFIELD was associated with him,—a gentleman of great intelligence and elevated character. A warm friendship immediately grew up between them, which constituted much of the happiness of their lives, until the lamented death of Mr. BROMFIELD, in the year 1849.

The vessel, lightly armed with a few small cannon, came to anchor in Macao Roads (about seventy miles from Canton) on the night of the 21st of August; and, early the next morning, was attacked by a fleet of sixteen Ladrone or piratical vessels, some of them heavily armed, under command of APPOTESI, a noted rebel chief. The fight was a very desperate one on the part of the comparatively small crew of the "Atahualpa," and continued for more than an hour; some of the pirates being so near as to succeed in throwing combustibles on board, which set the vessel on fire in many places. But the coolness and intrepidity of her commander, aided by the presence and assistance of Mr. BROOMFIELD, inspired her gallant crew with invincible courage. The pirates were repulsed with great slaughter, and the ship was enabled to escape, and find protection under the guns of the Portuguese fort. She was again attacked by them on her passage up, in company with four other American ships, but finally reached Canton in safety. This voyage, like all the rest in which he had been engaged, terminated very successfully, and he arrived at Boston in April, 1810.

By twelve years of arduous effort and unremitted toil in the service of others, at sea and in foreign lands, and by prudent economy, Mr. STURGIS had now acquired sufficient means for establishing himself in business on his own account. He concluded, therefore, to abandon the sea; and now entered into copartnership with Mr. JOHN BRYANT, under the name and firm of "BRYANT & STURGIS," as merchants resident in Boston for the prosecution of foreign trade. This copartnership continued for more than half a century, being for many years the oldest in the city of Boston, and was indeed terminated only by the death of Mr. STURGIS. Although these gentlemen were unlike in many respects, and entertained different views on many subjects, their connection was entirely harmonious; and the writer of this memoir heard Mr. STURGIS, not long before his decease, remark that no unpleasant word had ever passed between them. Their business was principally with places upon the Coast of the Pacific and with China; and, from the year 1810 to 1840, more than half of the

trade carried on with those countries from the United States was under their direction. They occasionally, however, had commercial intercourse with nearly every quarter of the world.

We have thus given a hasty and brief review of the business life of Mr. STURGIS. His persevering energy, quick perception and thorough business habits have worked results far reaching in their effect upon the commercial enterprise of the country. It would, therefore, be both pleasant and instructive to dwell longer upon this portion of his life's work, but it is impossible at the present time to do so.

Nor have we the space to notice at length his political career. It could not be otherwise than that a person of the mental strength and activity of Mr. STURGIS should soon become generally known and appreciated, and that any political party should desire to increase its power and influence by sending him as its representative in the public councils. Nor was it less natural, that one whom rapid and unexampled success must have inspired with confidence, should be willing to widen the sphere of his reputation and influence. We find accordingly that in the year 1814 he was elected a representative of the town of Boston in the Legislature of Massachusetts: and such was his capacity and fidelity that from that period until 1845, he was, for the greater portion of the time, a member of the House or of the Senate. He was, however, too independent and self-relying, and too single-minded in his conceptions of duty, ever to be popular among the leaders of a political party; yet in business circles his political influence was the greater on that account. Always true to himself, it is no wonder that the public trusts he held—those we have mentioned and many others—were honorably and acceptably filled.

Among the varied attainments of Mr. STURGIS perhaps the most remarkable was his ability as a writer. With few early advantages, and amidst occupations certainly unfavorable to the cultivation of letters, we find him exhibiting unusual beauty, clearness and power of composition. In 1845-6, he delivered, before the Mercantile Library Association of Boston, and subsequently, by request, before the members of the House of Representatives, "Three Lectures upon the North-west Coast," written in a clear, simple and expressive style, indicating familiarity with English literature, and at times exhibiting the truest eloquence in sentiment and description.

They are particularly valuable, however, for their development of the habits of life and the moral and intellectual characters of those Indian tribes by one who lived with them on terms of familiar and confiding friendship, and as constituting the most important and trustworthy record, if not the only one, of their later, soon to become their final, history.

His opportunities were such as particularly qualified him for this undertaking, since his first visit to the Coast was made in 1799, about twenty years after COOK's discovery of Nootka Sound, and while the generation was still living that "witnessed the arrival of the first white man among them; and many of the very individuals who were prominent at the time of COOK's visit were still in the prime of life, and became personally known to him." He passed a number of years among them at the time when they were first becoming known to the civilized world, and were in a state approximating to that in which the discoverers of the northern portion of our continent found the aboriginal inhabitants; and he continued to carry on the trade with them, personally or by agents, until it ceased to

be valuable,—witnessing its growth, maximum, decrease, and final abandonment by the citizens of the United States.

These Lectures were received with great favor by the audiences before which they were delivered.

We have further evidence of Mr. STURGIS force and power as a writer in a pamphlet which he published upon the Oregon Question.

In the year 1821-22, the people of the United States were startled by claims suddenly and unexpectedly made by the Russian Government to the exclusive possession of the most valuable portions of the North-west Coast, amounting virtually to the right of exclusive possession of the whole American Continent north of the 51° of latitude, and of holding the Pacific Ocean as a close sea to that extent, although about four thousand miles across.

The Emperor had issued a ukase to this effect, which had been communicated by the Russian minister, the Chevalier DE POLETICA, to our Government. By it, all foreign vessels coming within one hundred miles of the shores of the territories so claimed were declared subject to confiscation and forfeiture, with the cargoes on board.

To Mr. ADAMS's inquiry for an explanation "of the grounds of right, upon principles generally recognized by the laws and usages of nations, which could warrant the claims and regulations contained in the edict," M. DE POLETICA declared himself happy to fulfil the task; and he undertook in an official communication to maintain them upon three bases,—the titles of first discovery, of first occupation, and of peaceable and uncontested possession for more than half a century. These propositions he undertook to establish by a variety of historical references and statements, which certainly, to one not otherwise informed, made out a very plausible, if not a very strong case.

Such an event could not fail to excite the deepest interest among those who were engaged in the trade on the Coast, then at its height, and particularly in the mind of Mr. STURGIS, who was thoroughly master of the subject by means of his personal exploration of the most important portions of the territory included in the ukase, and of the study he had made of its history, both by inquiry of the natives, and in the published voyages of the discoverers and adventurers in those regions. The importance of the trade at that time was so great, and the indignity to the United States which would be involved in a summary enforcement of the threat was so manifest, that war between the two countries seemed inevitable, unless the justice of these claims could be demonstrated, or the assertion of them should be abandoned.

Mr. STURGIS immediately prepared, and published in the *North American Review*, a reply to them and to the several arguments adduced by the Russian minister, which, it is believed, constitutes a refutation as annihilating as any to be found in the records of political discussion. His familiarity with all the essential facts and elements of the case from the earliest known period, his admirable array of the argument, and the clear and vigorous style in which it was presented, leave nothing to be desired It gave the *coup de grace* to the most material portions of the claim, and secured for the author an extensive reputation for being among the ablest public writers, as he had long been among the first of the eminent merchants, of his country.

In the subsequent negotiation with Russia upon the subject, she abandoned the chief of these vast pretensions; the United States conceding to her the exclusive right of settlement within ten leagues of the sea north of latitude 54° 40′,—that being the southern limit of the Russian possessions in America thus extended.

But a still more important and signal service was rendered to his country by Mr. Sturgis, upon the breaking-out of the controversy between England and the United States, in the year 1844, concerning the Oregon Territory; which controversy the political partizans on both sides of the water, alike in utter ignorance of the position and extent of the country and of its history, and of the various rights of other nations upon its coasts, were ready to inflame into open war.

Here, again, his personal familiarity with the topography of the coast, with the course of trade on its various rivers, and with the extent to which it had been resorted to and occupied by foreign nations, and particularly by Spain, England, and the United States, qualified him in a very peculiar degree, if not exclusively, as far as an individual could be qualified, for the formation of an impartial judgment, and for enlightening others upon the subject; and he proved himself as well adapted to the task intellectually and morally, as he was by this peculiar knowledge.

He prepared an elaborate treatise upon the subject, which he afterwards delivered as a Lecture before the Association above mentioned, in January, 1845, the substance of which was soon afterwards printed as a pamphlet.

The matter was one of great perplexity and seeming confusion, owing to the miscellaneous claims made by Russia, England, Spain, and the United States, of prior discoveries, and of the use and occupation of various portions of this vast wilderness, bounded on the east by the Rocky Mountains, on the west by the Pacific Ocean, with its numerous indentations, bays, sounds, inlets, capes, and islands, and extending from the forty-second degree of north latitude to that of 54° 40′; constituting an area of seven hundred and sixty miles in length from north to south, and of about five hundred from east to west, with large rivers extending far into and draining the interior.

No one, remembering the agitation of this question at that time, can be forgetful of the insensate cry of "Fifty-four forty, or fight!" which was so flippantly and recklessly uttered by the party politicians of the day, in equal ignorance and disregard of the truth and the right of the case; or can forget the deep apprehension of a closely impending war, felt by the friends of peace on both sides of the Atlantic.

In this treatise, Mr. Sturgis, after an exhausting exhibition of the material facts of the case, and a setting forth of the respective claims and pretensions of the parties interested with great clearness and judicial impartiality, arrived at the following result:—

"Some of the objections made by the British commissioners to our claims to the *exclusive* possession of the whole territory cannot be easily and satisfactorily answered; and some of their objections are unfounded or frivolous,—the mere skirmishing of diplomacy, and unworthy of high-minded diplomatists: but it must, I think, be evident, to any one who looks carefully into the whole matter, that *some* of the pretensions of each party are, to say the least, plausible; and that, according to the rules

established among civilized nations in similar cases, each has some rights, which should be adjusted and settled by compromise and mutual concession."

He then entered upon a discussion of the various interests which each party might be supposed to have in the possession of these territories, and concluded by recommending the adoption of the line substantially established by the subsequent treaty, but defining it in much more precise and clear terms, which, if they had been copied, would have prevented the possibility of misapprehension, and have saved the two countries from the unhappy San Juan controversy, which still rankles as a thorn to disturb their friendly relations.

The line as described in the treaty is in these words: "From the point on the forty-ninth parallel of north latitude, where the boundary laid down in existing treaties and conventions between the United States and Great Britain terminates, the line of boundary between the territory of the United States and those of her Britannic Majesty shall be continued westward along the forty-ninth parallel of north latitude to the middle of the channel which separates the continent from Vancouver's Island, and thence southerly through the middle of said channel and Fuca's Straits to the Pacific Ocean."

The line proposed by Mr. Sturgis was as follows: "A continuation of the parallel of forty-nine degrees across the Rocky Mountains to tide-water, say to the middle of the Gulf of Georgia; thence by the *northermost navigable passage* (not north of forty-nine degrees) *to the Straits of Juan de Fuca*, and down the middle of these Straits to the Pacific Ocean; the navigation of the Gulf of Georgia and the Straits of Juan de Fuca to be for ever free to both parties; *all the islands and other territory lying south and east of this line* to belong to the United States, and all north and west to Great Britain."

It will be perceived that the insertion of the words here italicized would have rendered the definition of the navigable passage intended, and of the territories intended to be separated by it, too plain to admit of controversy.

This pamphlet was not only widely circulated among the ministers and statesmen at Washington, but also among those in England, where it met with almost universal approbation for its intelligence and candor.

The writer of this memoir feels perfectly justified, by the evidence in his possession, in asserting that the settlement of this dangerous controversy, by the line adopted, was mainly, if not entirely, owing to this effort of Mr. Sturgis, and the use made of it by the friends of peace in both countries.

It must be a rare fortune for any private individual, holding no official station, and in no immediate connection with the statesmen conducting the foreign relations of his country, to be thus instrumental in the final solution of two great national controversies, which, but for his efforts, might have terminated in disastrous wars.

Both of these adjustments are monuments of his intellectual ability and literary accomplishments, and call for a grateful national remembrance; but that of the Oregon Question evinces the breadth of view also, and the rare magnanimity, which enabled him justly to appreciate and honestly

to vindicate the claims of the adversary of his country, while firmly maintaining her own.

To these qualities, signally manifested in this pamphlet, may probably be attributed, in a great measure, its success in moderating the views of his own countrymen, and winning the confidence of the English rulers and people.

Such is the brief, simple narrative of the principal events in the life of this extraordinary man. That he could have found time amidst his engrossing business cares for the mental culture evidenced by his writings is truly wonderful. His whole nurture, indeed, seemed fitted for the cultivation of the sterner virtues almost exclusively. His childhood and early boyhood passed upon a little sterile farm, the labors of which devolved principally upon himself, with no room for mental expansion beyond the occasional privileges of a village school; his youth and early manhood spent on shipboard, in the rough companionship of the forecastle and the steerage, or in the lonely watches of despotic authority upon the quarter-deck,—breasting the tempests of the open sea, or the more harassing perils of coastwise navigation upon wild and inhospitable shores; his introduction to business life in traffic with the savage inhabitants of the Coast; and his almost total seclusion, in most of the forming periods of life, from the opportunities of mental and spiritual culture, and the influences of a refined civilization,—might well have seemed calculated for the growth only of the heroic courage, indomitable energy, self-reliance, and ability to command, by which he was among all men pre-eminently distinguished. To the general observer, his quickness of perception, clearness of judgment, stern love of justice, fearless independence, promptitude of decision, and dauntless resolution,—constituting a character of rare strength,—might often overshadow its gentler traits, and sometimes might obscure these even from his own consciousness. But there was a native urbanity, a depth of affection, a readiness of sympathy, a generosity, a refined nobleness of nature, manifest to those whom he loved, or to whom friendship or any just claim gave opportunity for the exercise of them; and these were exhibited no less in his intercourse with the wild Indians upon the far-off savage coast, than at the domestic hearth or in the social circles of civilized life. And to these we add a love of letters, a ready wit, a sense of honor, and an appreciation of the courtesies and amenities of cultivated life, which might seem hard to be accounted for under such rough training, except in the natural structure of his mind and heart,—as steel of the hardest temper takes the finest polish.

PEACE, PRICES, AND PROSPECTS.

By Hon. Amasa Walker.

That peace between the Federal Government and the Confederate States will come sometime is certain, that it will come soon appears now highly probable, and the effect which such an event will have upon the business of the country cannot but be a matter of deep interest to all.

In the examination of the subject we must take certain things as granted, for in no other way can we make any calculations whatever.

We will first assume that the terms of peace include the perfect restoration of the nationality, and secondly, that the great discordant element has been removed, so that there is no antagonism between different sections of the country growing out of antagonistic institutions—that there is, in fact, that harmony of ideas and interest, which alone can give confidence and ensure tranquility.

These two conditions being established, the country will have peace, national credit and universal confidence will be restored. As soon as this state of things has arrived, as soon even as it is certain that the conflict has ended, the whole industry of the nation will experience a severe shock. That is inevitable. The war paralized industry, and for a while all was stagnation. Peace will produce a similar effect, because the industry of the country must be changed from a state of war to a state of peace. Those who have been engaged in manufacturing the appliances of war and the instruments of human destruction, must change their occupation. Thousands and hundreds of thousands must be transferred from one branch of industry to another. Half a million of men now in arms must return to their homes and find employment in peaceful pursuits. All this cannot take place without temporary derangement and consequent paralysis.

But the greatest shock will be felt upon *prices*. Everybody knows that these are at least double their usual average, and must, to a certainty, come down to the natural standard, that the currency sooner or later will be restored to a specie basis. A great *panic* of course will take place on the announcement of peace. Every man having property of any kind which he desires to sell, will wish to be rid of it as soon as possible. And what is worse, everybody will be afraid to purchase, because they are sure prices must go down and down until they reach the lowest possible point. But the general consumption of the country must go on. Why should it not? Men and women will continue to eat, drink, and wear; and, what must be borne in mind, they have plenty of money, or rather of currency to buy with. What use can they make of greenbacks and National and State Bank notes, of which we have so many hundred millions, but for purchases? Then why should not the people purchase freely? They will do so, and of course trade must and will go on.

The first news of peace will doubtless cause a great decline of prices; most persons will be ready to sell on almost any terms, and at any sacrifice; those who have the courage to make purchases under such circumstances will do so to great advantage, because prices cannot at once per-

manently decline. After the first shock there will be a reaction, and prices will advance again.

Three causes have co-operated in raising prices, the increasing volume of currency, the depreciation of the national credit, and the movements of speculators. All these causes may cease with the return of peace if our finances are managed on sound principles; the currency will be reduced, the national credit will be restored, and the speculators occupation will be gone. But since this change cannot be instantaneous, so far as a redundant currency is concerned, the reaction we have spoken of will take place.

Prices are governed by the existing quantity of currency, and as that cannot be at once greatly contracted, prices cannot immediately return to their natural point. To most persons prices seem to be merely accidental. That they are actually governed by laws as determinate as those of gravitation few understand. Hence there will be a great panic, and many will sell off their stocks, as some did under the senseless panic of September last, at much less than they are worth, and be quite glad to repurchase at advanced rates.

If it were universally known that prices in general can fall only as the currency is curtailed, all would be well. Prices would go down gradually as the currency was called in, until the specie value was reached, and then trade would move on in its accustomed channels. But it will not be so. Changes will be fitful and violent, because so many persons will be unreasonably alarmed.

But we have already said that after this panic there will be a reaction. To what point the returning tide will carry prices it is of course impossible to say. Many not without reason claim that the effects of the inflation will then be more decided than ever before. They reach this conclusion in the following manner. The amount of currency afloat is about one thousand millions. Much of this, say they, is now necessarily used in the vast transactions of Government, and will be so long as its present rate of expenditure is continued. Peace, however, will work a great change; the currency thus employed will be thrown out of use, and when its occupation is gone, it will simply drug the market and force up the value of all commodities. This conclusion is undoubtedly correct unless there are counteracting circumstances. Will there not be another field for this currency in such a contingency? Will not the States now in rebellion absorb as much as will thus be thrown out of use? We do not undertake to answer these questions or to decide what will be the point prices will reach after peace. That they will fall greatly on the first announcement, and will again rise to *at least* about their present level, must be evident to any one acquainted with the laws regulating currency.

What, under such circumstances, should the merchant do who has a large stock on hand and a good list of customers whose patronage he desires to retain? We reply, let him not be unduly frightened. Let the first shock be met with firmness. Those who are greatly scared will doubtless take the first sales by making a great reduction, and will find they were mistaken in so doing, because they will not be able to replace their stocks at the rates at which they have sold. The price of gold will doubtless recede very much on the news of peace, but will certainly advance again after the first impression has passed by, because it is measured

by the paper currency of the country, and that is so greatly redundant, that any thing like a normal price for gold, or any other commodity, is impossible. There are two extremes, then, to be avoided in the emergency contemplated. One is holding on too closely, the other, selling off at too great a reduction. Most persons will take the latter course and suffer unnecessary loss, while the more shrewed will make fortunes by purchasing merchandise thus needlessly sacrificed.

Prudent men will operate under such circumstances with great caution, because they will have in view the fact that prices must continue to decline as the currency is withdrawn, until the bottom is reached. They will, therefore, hold as small stocks as practicable; they will not cease their operating on account of prices, but carefully watch the volume of the currency and govern themselves accordingly.

When the war commenced, many *very* prudent persons stopped their purchases, and laid still waiting for "better times." Such have made nothing during the war, and will find themselves poorer at the end than at the beginning of the contest. Others went straightforward, buying and selling, and have secured fortunes within the last four years.

Business men, who have a valuable trade, should hold on to it. That they will generally make great profits for some time to come is not likely, because we must eventually descend in prices to the normal standard, but in the meantime active men having a future before them would not be wise to relinguish their trade. Nothing is more certain than the wonderful career of prosperity that awaits us, if we only secure nationality and permanent peace; and those who are in a position to take part in the business of the country, will have the best opportunity ever yet known for wealth. Hence the importance of passing through the transition from war to peace, in such a manner as to be prepared for the tide of prosperity which awaits us as a people. Our manufacturers, especially, must start into new life and vigor with the termination of the war. The demand for cotton goods, in particular, will be unprecedented. The markets are comparatively bare, but what is more strikingly true, the homes of the people are more destitute of cotton fabrics than ever before. Every thing has been used up. All are waiting for peace, that they may supply themselves with those goods, of which they have been accustomed to keep a liberal stock on hand.

The demand for home fabrics will be immense; but for foreign merchandise it will be greatly circumscribed. This will arise from two causes; one is heavy duty, the other, the reduced ability of the common people to purchase. These are palpable facts that must be taken into the account when considering the future and its promises. But still another enquiry arises. When and how shall we return to a sound currency?

That will depend entirely upon the wisdom and energy of our statesmen and public servants. It is for them alone to say how soon and in what way. The matter is in their hands. From at least supposed necessity they violated the laws of value, by making that to be currency and legal tender which had no value, only the promise of it. They introduced credit into the currency, and it is by their action alone that the false element can be aliminated, and the true standard can be restored. When the war has ceased, war expenditures will cease; but taxation will doubtless be continued, and the revenue made to exceed disbursements,

and the Government will have the ability to take in its greenbacks and other currency. Besides this, as soon as the credit of the Government is assured, there will be a large, we should say, perhaps, *immense* demand for public stocks, and the floating national indebtedness can thus be rapidly funded.

By these means the volume of the currency can be reduced, provided the proper steps are taken, and banks are not allowed to increase their issues. Congress will have the power, and ought to have the disposition, to compel these banks to resume specie payments, and if that be done, they must greatly contract their circulation. Thus by a gradual process we shall return to the true standard without any violent convulsion.

There is one unprecedented fact connected with the war in which we are engaged; it is that individual indebtedness is being discharged to a most wonderful extent, so that when the contest is ended the people will be freer from pecuniary obligations than ever before. This is a remarkable phenomenon, and quite in contrast with the condition of our country at the close of the revolutionary war, but the course pursued by the Government has brought it about. Private has been exchanged for public indebtedness. The nation is involved to an enormous amount. Every State, every county, and every town has accumulated debt to an extent before unheard of.

This fact must greatly influence the future. Taxation will be heavy, continuous, and pressing. It will bear with great force on the masses of the people. Their consumption of wealth, and of course their trade, must be restricted. What a man pays in taxes he cannot expend for clothes. Every expenditure must be curtailed to meet the demands of the inevitable tax gatherer. The result will be, that ordinary consumption will be less, and extraordinary consumption more. Those who pay the taxes must buy less, those who receive the public dividends will be able to buy more; there will be less low priced, and more high priced goods sold, more luxuries, and fewer necessaries *proportionately*, than before the war.

The crisis through which we are now passing is destined, whether fortunately or unfortunately, to assimilate the nation to European civilization. The great debt which we shall create will probably never be paid, or ever repudiated. The nations of Europe do not pay debts, they pay the interest. They cannot pay the principal because their current revenues are required to meet the interest, carry on government, and prepare for war in time of peace.

Such is our destiny so far as all present appearances indicate the future. But with regard to the currency, that will depend entirely upon what the people have the intelligence to demand, for it is certain that Congress is always ready to do just what the people wish, except to reduce their own pay and privileges.

What then would the people have? Once they would have asked for all the paper money that the banks could put in circulation; but the war has wrought great changes in public opinion on two important subjects, slavery and mixed currency. The nature and influence of each are now understood as never before, and we think the great struggle will be equally fatal to both.

Nothing connected with the war is more remarkable than the general

success of its industry in every department of trade and manufacture. Not that the country has been actually growing rich in the meantime, but that it has been able to sustain itself so prosperously under circumstances so adverse.

Should then the war be closed by a satisfactory peace, there will remain but one cause of anxiety to the business public, and that, we repeat, will be the currency, because on that prices and the security of trade will entirely depend. Shall the descent of prices, which we know must and ought to take place, be gradual and steady, or fitful and violent? That must depend wholly upon the action of the Government; that again upon the clearly understood wishes of the people, and that upon their intelligent perception of their true interests.

Such is the position, wealth, resources, and credit of the nation, such the brilliant prospects of the future, that nothing can prevent a realization of our brightest anticipations, but stupid legislation and ignorant financiering.

DEEP AND SHALLOW OIL.

By E. W. Evans, of Marietta College.

The question in regard to the depth at which petroleum is to be found, or, as the idea is popularly expressed, whether it be deep or shallow oil, is one of great practical importance to those investing in oil lands. Experience has proved that, as a general fact, supplies of oil found at a depth of two or three hundred feet, or more, are much more copious and lasting than those found at a less depth. Even at less than a hundred feet some wells give good promise at first; but they are soon exhausted. The best wells are over five hundred feet deep.

Oil coming to the surface in bulk, so often prized as a good sign, is really nothing more than an index of shallow oil. On some parts of Hughes River and Duck Creek, and in other places where petroleum used to be collected in quarts and even in barrels, as it issued from between the surface rocks or oozed up through the sand, experiments in boring have resulted only in finding small collections at a slight depth. The oil in these localities has worked its way up through open fissures into the upper strata, and is rapidly undergoing the process of exhaustion. If upon boring deeper other oil-bearing strata are found, as on Oil Creek, the kind of surface show here described, affords beforehand no evidence of their existence, but only of the collections near the surface. In such places it is also common to find collections of asphaltum, or a thick, tar-like oil approaching asphaltum; the more volatile ingredients having escaped by evaporation, owing to near communication with the air, while the grosser parts remain. It often happens that shallow wells yield a heavy lubricating oil, the commercial value of which is greater than that of the light illuminating oil; but what is thus gained in quality is, as a general fact, many times lost in quantity.

Of surface signs, that which affords the most reliable evidence, that the source of supply is deep, is a scum of thin volatile oil appearing on

mineral springs. For example, between the two Kanawhas, along the line connecting the two burning springs, there are numerous oil and gas springs in which the analysis of the water always reveals various minerals, such as common salt, carbonates of iron and soda, muriate of lime, sulphates of soda and potash, and sometimes sulphurated hydrogen. On the common springs of pure water, whose source is near the surface, oil is not seen in this region. It comes up through slight cracks and fissures in the strata, from depths where the water has gathered its various mineral contents. The high temperature of these oil springs, as compared with the springs of pure water, is another fact indicating their deep source. These signs characterize the best oil regions generally.

THE CHINESE IN CUBA.

HENRY B. AUCHINCLOSS, ESQ.

A GREAT and important change is silently taking place in the character of the labor employed in the West India sugar Islands, and especially in Cuba, which attracts but very little attention outside of the circle of planters interested, but which, in time, may lead to great results. The Coolie is gradually taking the place of the African negro, and his merits as a laborer are recognized even by the prejudiced and ignorant. It is a great triumph for the Chinaman that his superiority over the slave should be acknowledged at all in a slave country so absolute as Cuba, but we have no hesitation in asserting that the most intelligent Spanish planters decidedly prefer the Coolie to the negro, not only for his greater capacity to labor, but for his greater obedience and attention to his work, whether overlooked or not. This preference is practically expressed in the yearly increase of the Chinese immigration to Cuba, and although the present condition of the poor Coolie is but little better than that of a slave, a few years of the system of immigration now in operation will substitute a large and intelligent class of free Chinese laborers, for an equal number of ignorant African slaves. It is the possibility of the gradual extinction of African slavery—or rather of its decay before a superior system and a superior race of free laborers—which gives interest in the eyes of an American to the question of Coolie labor as compared with slave labor. The probability of such an event in a country like Cuba may seem remote, and yet a careful attention to the signs of the present will show that a radical change in the social and commercial standing of Cuba and the other West Indian Islands may be near at hand from causes now in operation. All have suffered from the same evil, and the British Islands, especially Trinidad and Jamaica, have been benefitted by theimportation of Chinese and Hindoo laborers. In all, alike, free Chinese labor has been a benefit; in all, free negro labor—or rather, negro idleness—has been a curse. In all, alike, slavery has been a drag upon their political and commercial progress. Notwithstanding the defence of the slave system made by the Spaniards, and their more recent schemes to import slaves by consent of all the treaty powers, under the name of

"Ransomed Africans," who are to work for ten years to repay the expense of transportation, and the fair and specious talk about placing the negro to organized labor, civilizing and returning him to his native land; a scheme too transparent to succeed—there is a profound anxiety among the people of Cuba, resulting from the examples of the other West India Islands, the South American Republics, and Brazil; and, still later, the warning which the events transpiring in the United States give to states or countries where slavery is tolerated. Sooner or later it brings trouble and sorrow in its train. The more intelligent Cubans know this, are keenly aware of the danger, and hope to avoid it, at least partially, by their system of Chinese apprenticeship.

Under this system the immigration of Asiatics is largely increasing, and the recent removal of an absurd and cruel restriction, by which women were not allowed to reach the country, gives promise of a still further yearly increase. This restriction arose from the extreme jealousy felt by the Spaniards of pure descent, who rule the colony, of any class which might become so numerous as to provoke insurrection, or even to outnumber the creoles and soldiers. Another object of these wealthy Dons was to make necessary a continual stream of laborers at the lowest possible wages, and so keep down the price of labor that it would be impossible for the poor white man to sustain himself. In this they had the same success as the wealthy slave-owners of our cotton States enjoyed prior to the rebellion. Out of 34,834 Asiatics who figure in the census of Cuba for 1861, only 57 were females!

Many well informed Europeans and Americans believe that the sole reason for this is the old law of the Chinese government prohibiting the emigration of women. This law may still exist, but it is well known in China that practically it is a dead-letter. The Taeping war, the war with the Allies, the capture of Pekin, the dismantling of the Bogue forts, and the opening of the ports, have cruelly shaken the imperial power, and the people do very much as they please. Of late years their free intercourse with foreigners, and the immense emigration to California, Australia, etc., have been the means of increasing the friendly spirit shown by the common people, and have done away with much of the exclusiveness for which they have such a reputation. It is notorious that their women do emigrate. We have seen them in the streets of San Francisco and in the Straits of Malacca, where many families, men and women, are settled, and we will venture to say that if the Spanish government, or its agents, would advance means to the women, or would bring over Chinese families on the plan by which so many pauper emigrants have been sent of late from Lancashire to Australia, there would not be the slightest difficulty in obtaining as many women as they required. The truth is, that the labor of the men being most valuable, men alone are engaged to emigrate, and as those who accept the hard terms of the Spaniards are the poorest of the poor—men who are compelled to live on $15 @ $20 a year—it is absolutely impossible for them to bring their wives and children. Such men are tempted by the wages they will earn during the eight years of service, and the promise of enough to eat. They do not mind the labor for they consider it well paid at $4 25 per month, and if they had their wives and children with them, they would rarely wish to leave the country when their term of service expired. In a country like Cuba,

where cheap labor is the great necessity, a peasantry with the hardihood and industry of the Chinaman, would be the most desirable advantage which a government could give its subjects. Judging by the policy of the Spaniard, his only aim, heretofore, has been to obtain the greatest riches and enjoy the utmost power with the least possible labor and the greatest security. He deems it for his interest that an intelligent race like the Chinese should not be suffered to gain a foothold on his island; and, while he wants the Chinaman's labor, he hopes to keep him under foot by making it obligatory upon him to return to his native land, or, living a bachelor, to die without children, when his master has got from him all the labor of which his frame is capable. There is something peculiarly revolting in this cold-blooded, hard-hearted policy, fit only for the nation which carried the cross to the Indian stained with blood, and which, since the Indian was exterminated, has drawn from Africa thousands upon thousands of negro slaves. This policy defeats itself, if the aim is to secure the cheapest kind of labor.

On the other hand, allowance should be made for the proverbial slowness of the Cubans to change their habits or adopt any new thing, and for the fact that the importation of Chinese Coolies has hitherto been a matter of experiment. They are just beginning to realize that the Coolies are cheaper and more valuable than negroes. Chinese emigration only began in 1847, and in 1852 but 6,000 had been landed. From 1853 to 1859, however, 42,501 were imported, and in the census of 1861 we find them bearing a proportion of ten per cent to the number of negro slaves. Only a very small proportion of these Chinese have worked out their eight years of servitude, not enough to settle the question of what will be their ultimate fate. The mortality on the voyage from China is great,* and the labor in Cuba is so severe that those who leave China in the prime of life are old men in body when free. Those who have served their time find their way to the cities, and, as in the other West India Islands and Demerara, more frequently become peddlers than continue in the sugar mills. Their shrewdness and natural talent for trade make them very successful peddlers. In dealing with the free blacks they are as sure of getting the best of a bargain, as a Yankee would be in Georgia.

On their first arrival in the West Indies they are subject to a suicidal epidemic, which often breaks out without any treatment which would seem

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* A writer in the *Journal of Commerce*, whose name we have been unable to ascertain, but who is said to be a surgeon on some Coolie ship late from Macao, and whose statements in regard to the Dona Maria we know to be correct, says, "within the last three months six Portuguese ships have arrived in Havana bringing Chinese passengers from Macao, and their losses have been as follows:

The Luisita, out of.....	342	lost 59,	or 14 per cent.
Camoens.....	416	" 51,	" 12½ "
Alfonso de Albuquerque.....	356	" 38,	" 11 "
Vasco de Gama	506	" 228,	" 45 "
Dona Maria de Gloria	296	" 163,	" 55 "
	1,916	" 539	

"This is an average loss of 28 per cent, and does not include some 30 unfortunates who became blind on the passage."

to provoke such extreme measures, and quite a number of the Coolies on an estate may be lost before this singular fatality is arrested. We are inclined to believe that it arises from home-sickness, and their Buddhist notion that their souls, immediately after death, return to their native country. A singular case lately coming to our knowledge confirms this impression, and may throw light on the morbid state of mind which occasions suicide.

Some years ago, an *administrador* of much sagacity, found that his Coolies were killing themselves at the rate of two a day. Some hung themselves, others were found with their throats cut, and one eccentric individual climbed to the top of the chimney, where he suspended himself in full view of all the laborers on the estate. This example being dangerously conspicious, and our *administrador* having another defunct Chinaman unburied, he determined to try some plan by which their superstitions could be reached. A trench was dug and filled with wood, the bodies placed on the pile and burnt in the presence of all the Asiatics on the estate. The ashes were then scattered. Finally the Chinese were told that every man who killed himself should be burnt up—annihilated. The trench was then cleared, again piled up with wood, and left ready for the next occasion. That occasion has not yet arrived. In most cases, however, this tendency to suicide is directly traceable to some ill-treatment or bad management.

It is understood that on some estates they are employed to cultivate small patches of cane by contract, a system for which we may confidently predict success. It is their favorite system in their own country and in the "Straits Settlements," where many of the sugar estates are cultivated entirely on this plan, and where it is found to be the most economical and profitable which could be adopted. The contractor at the head of the "cong-see" undertakes to cultivate a certain number of acres, and hires all the laborers, furnishing food, and being responsible for them. He receives a small advance from the owner of the estate, and the latter from time to time watches his operations in the field, having the right and power to make any alterations in the system of culture which he may deem essential. This, however, according to Mr. Leonard Wray, whose testimony is of high value on all subjects connected with sugar culture, is arranged beforehand, by contract, with extreme minuteness. When the cane is cut the contractor is paid accordingly to the quantity of raw sugar obtained from it. The master has no care or trouble (further than a general oversight,) and can give his entire attention to the manufacture. The same system, substantially, has been tried in a few instances on the Island of Cuba, with the Chinese and free natives of the country as contractors. The only important difference is that they are paid by the weight of cane delivered at the mill, at the rate of two dollars for one hundred arrobas. We may call two dollars per ton of cane stalks the cost of cultivation under this system. With a large proportion of Chinese laborers in Cuba, settled there with their families, free, and in organized companies or *cong-sees*, the time may come when the Spaniards will discover that they can get more cane to the acre, at a less cost with Chinese laborers under this system than they can with slaves.

The Chinaman will live on as little as the negro, and *will work*. The negro slave must be compelled to work if his labor is to be worth any-

thing to his master. The Chinese laborer costs his master little at the outset, and that little is more than returned in his period of service. Working as a free man, he would cost less than the annual interest of the sum paid for an able-bodied slave, and produce more. It is needless to remark on the great saving the change would effect in releasing the large capital invested in slaves, and freeing the masters from the losses which the present system entails.

Among the most intelligent Cubans—those who are capable of looking beyond their own farms, or their own island—these considerations are beginning to attract attention, and while such a change would be the work of years, it certainly appears as if, in the growing favor with which the Coolie is viewed, the first step had been taken to bring it about. Cuba and Porto Rico bid fair to be the last countries in the world in which negro slavery will exist, for it is agreed by the majority of thinking men, that, as one result of the American rebellion, slavery neither can nor will exist in the Southern States of the American Union after this war is closed. When slavery is narrowed to these two islands, the destruction of the slave trade will be a much simpler matter than ever before. Without the slave trade, slavery must soon become extinct in Cuba. Each census shows that this is only a question of time. We remarked that the proportion of free blacks to slaves is steadily increasing, and now embraces two fifths of the whole negro population. The normal proportion is even greater when we consider the unnatural predominance of males among the slaves, the result of direct importation.

The figures stand thus:

	Men.	Women.
Free	118,805	118,687
Slaves	218,722	151,831

All the world is agitated more or less on the question of the ability of free labor to compete with slave. It has been considered that slave labor was absolutely necessary for the successful cultivation of the cane. We believe this to be a fallacy. The decay of the English West India sugar colonies has been justly ascribed to the rash and headlong measures adopted by the mother country in emancipating the slaves. No provision was made for supplying the colonies with laborers, and the consequence was that the colonist were ruined for want of power to compel the negroes to work on the plantations. The negroes found easy support and more profitable employment in cultivating small patches of land for themselves, and the withdrawal of their labor left a gap which those emancipating the negroes did not foresee, and neglected to fill. If a little foresight had been exercised, and an immigration like that which England has encouraged to Mauritius, had been extended to Jamaica and the other English possessions in the West Indies, before the wholesale withdrawal of laborers by emancipation, the distress which followed that act would have been avoided. The results of British emancipation naturally strengthened the arguments of the sugar planters both in Cuba and the United States; but now political causes are bringing about the same results in the last-named country, and if the people of Cuba are wise, they will be prepared before circumstances compel a change of system, by supplying themselves with Chinamen and Hindoo Coolies, the best and most industrious laborers in the world. Two great causes are now

at work which will eventually make the change compulsory. The slave trade has received heavier blows within the last five years than ever before, and its complete destruction would leave the Cuban planter without labor. The cheapness of free Asiatic labor will, if it has a fair trial, drive slavery from the field. Any signs of this great change, such as the growth in numbers and popularity of Asiatic laborers, are of interest and importance under such circumstances, and among these we notice that on the largest estates where the greatest attention is paid to economy, the proportion of Asiatics to slaves ranges from one-fifth part to three-fifths, and in one instance, which came to our knowledge, the proportion was eight Chinamen to three negroes.

The physical superiority of the Cuban, over the Chinese Coolie, is striking. In Cuba, they are more robust, taken as a class, than the fellows who jog through Shanghai with a tea-chest slung on a bamboo, or hang around the river-side at Canton waiting for a job. Anyone who visits the seaports of China in the summer time has a fine opportunity of judging of the physique of the people, for in hot weather the poorer classes wear nothing but their *panjamas*, or loose breeches, and the broad hat of the country. The better classes, scholars and mandarins, are fastidious and dress well, but among the Coolies and shopkeepers upper clothing is universally thrown aside in the middle of the day. They are a lean race, but muscular. In Cuba some of the Coolies are almost fat notwithstanding the severe labor, and their broad chests and muscular arms show better food than they get at home, where the miserable pittance they receive is barely enough to get them a bellyfull of rice and a cup of tea. Some part of this improvement is to be ascribed to their inability to obtain opium. Although the Cuban law punishes the sale of opium to Chinese by six years in the chain-gang, some do obtain it, and can be detected at a glance by their lean condition. As for their powers of labor, the *mayorals* will tell you that they are not as good as the negroes, and that the creole negro is the best of laborers, the native African the worst; but if you carefully observe the disposition of the laborers on the estate, you will find that if there are many Chinese they can be counted in the sugar house, around the engines and vacuum pan, having charge of the centrifugal machines, or of the defecators; in short, in all those places where it is customary to employ the best negroes of an estate. If they are not all there, depend upon it that the rest are in the cane-field with the sturdiest and most valuable of the field hands. The engineers, on the other hand, will tell you that the Coolies are the best, most obedient, and careful people about the Yngenio; occasionally, they qualify this encomium by expressing a preference for the creole negro, but they always remark that the latter requires watching. Taking yet higher authority, an *administrador* will sometimes candidly acknowledge that he prefers fifty Asiatics to seventy negroes. This is high testimony to the efficiency of the race when we consider what strong prejudices their good conduct must have overcome to elicit any praise at all. Some masters have suffered their prejudices to rule them so far as to give orders to teach negroes the management of machinery in preference to Asiatics, being fearful of losing the services of the latter if they teach them too much, whereas the latter being property, any knowledge which can be driven into their heads only increases their market value. All, from *mayoral* to master,

agree that there is this difference between the Chinaman and the negro. If you tell a Coolie what to do, he quietly and patiently sets about it, and continues working all day without a word of comment, but the negro throws down his work as soon as the *mayoral's* eye is turned, and the chances are ten to one that he goes to sleep. On a well regulated estate every gang of slaves has its *mayoral* on horseback with his whip in sight, and now and then it is cracked at some lazy fellow. The whip is not often needed for the Coolie; and as many of them have committed suicide when beaten, it is prudently trusted to one of their own nation. Of course there are some lazy fellows among them, and a sugar planter knows of only one mode of coercion for such; but the occasions are comparatively rare. We have seen large gangs of Chinese industriously at work, the leader working as hard as the rest; and it is evident by the treatment they receive from the engineers, wherever they are employed about machinery, that the most intelligent are on pretty much the same footing as ordinary laborers in other lands. It is observed that all of them can read and write, and that they readily acquire Spanish.

With such intelligent and industrious laborers to be had in any number from China, at low wages, it is a mistake to suppose that slave labor is the cheapest in the world, notwithstanding the clamors of the English colonies for protection against slave-grown sugar. The price of negroes in Cuba will show that labor is higher in that country than in many others where sugar is produced. A good field hand is worth $1,000 to-day in Havana, and can be hired out for about $25 a month, his food and medical attendance. House servants worth $750 @ $800, command $20 a month, and even girls fourteen years old are paid $9. These prices are less than they were prior to the breaking out of the American rebellion. In the settlements of the Straits of Malacca, Chinese labor—and skilled labor at that—can be obtained under the contract system at from three to five Mexican dollars per month, the laborer finding his own food and clothing. In India labor is quite as cheap. In China it is even less. The sugar planter of Mauritius, with a free Coolie immigration, is on a better footing than the Cuban in this respect. This little island, only 36 miles long by 22 miles wide, supports a free Coolie population of 150,000. Even in the Sandwich Islands, which are just beginning to be known among sugar countries, the Kanaka works for eight dollars a month, his food, lodging, and medical attendance. The cost of slave labor in Cuba, therefore, is considerably greater than in several sugar-growing countries, and that cost keeps pace with the advance in price which sugar now commands in all the markets of the world, and with the increasing risk of the slave trade.

That a cheaper system of labor will eventually supplant slavery, we do not doubt; and we may hope that, with an increasing immigration from China, stringent laws regulating the passenger traffic, and more liberal treatment of the Coolies by their employers; this Coolie immigration, which has often been represented as being quite as bad as the African slave trade, will yet prove to be as great a blessing to Cuba as it has to the British West Indian Islands, by providing them with cheap labor, and an industrious population, well fitted for a tropical climate.

COMMERCIAL LAW.—NO. 19.

BANKRUPTCY AND INSOLVENCY.

(Continued from page 106, vol. 52.)

WHO MAY BE INSOLVENTS.

The statutes provide, with much minuteness, as to who may become, or be made bankrupt. In England, the statute of George III. c. 16, sec. 2, collected in one clause the various kinds of persons whom the bankrupt law considered as traders, and somewhat enlarged the provisions of former statutes in this particular. But still the operation of the law was confined to traders. It will be remembered, however, that the insolvent laws originally differed from the bankrupt laws, in the fact that they were not confined to traders; that is, only a trader could be proceeded against by a creditor, and being so proceeded against, his debt was discharged. But any debtor liable to arrest might seek relief under the insolvent laws, and would be by them protected from imprisonment. Now, all our present statutes are called insolvent laws; and their operation is very wide. In England, for example, no married woman could be a bankrupt who was not lawfully a sole trader; but here, it may be presumed that any woman, whether married or not, who by the present or any future law of a State should be liable to suit upon a debt, could go into insolvency.

An infant cannot be made a bankrupt; but we do not know why he may not be declared insolvent on his own petition; for the modern rule is, that none of his debts are absolutely void, but only—if not for necessaries—voidable by him. And therefore, unless, or until, they are avoided, he is the same as any other debtor.

A lunatic, while insane, could perhaps incur no debt for which he could be held responsible; unless, possibly, for his own benefit, it was permitted to him to make a valid contract for necessaries. In such case, he could become insolvent for that, and he certainly could be declared insolvent on the petition of a guardian, for debts contracted before insanity, or in a lucid interval.

If a debtor attempts to place his property in the hands of assignees, for the benefit of his creditors, this, where there is a bankrupt law, is an act of bankruptcy. That is, the debtor may be proceeded against as a bankrupt, and his voluntary assignment is void, and the assignee appointed under the bankrupt commission takes all his effects. And this is applied, even where there is no intention to defraud; and even where the debtor provided, by the express terms of the assignment, that his effects should be applied and distributed according to the provisions of the bankrupt law. This would now be true in this country only where the State statutes expressly or by implication supersede all voluntary assignments; but would not be true where they merely offer the relief they provide to those who seek it, leaving them at liberty to assign their effects for their debts, if they choose to do so.

THE PROOF OF DEBTS.

As the insolvent laws purpose to divide all the assets of the debtor ratably among all the creditors, it follows that they open the way very widely for all persons who have claims to present, and prove them. This proof is made, in the first place, by the oath of the creditor, and, if further proof be required, by such evidence as would be admissible and appropriate under the general rules of the law of evidence.

The presentation and proof may be, in some degree at least, by agent or attorney; and this is usually provided for in the statutes. In some cases it can only be by an agent or attorney; as, when a corporation is a creditor. In such case, the corporation should act by an attorney specially appointed and authorized to act in their behalf.

If trustees hold claims against a bankrupt, and present them, it has been said that the *cestui que trust*—or the party for whose benefit the trust exists—should join with the trustee. This may be proper in many cases, but in some it would be obviously impossible, as where the *cestui que trust* is a young child, or a lunatic, or out of the country. And if she were a married woman, we should doubt the propriety of her joining, unless under some particular provision or peculiar character of the trust.

If the creditor be himself a bankrupt, so that his claim also has passed into the hands of his assignee, it would seem that his assignee alone might present and prove it in case of necessity; but the practice appears to be to require the creditor's own oath, whenever it can be had. And this is founded on obvious reasons. We think they apply equally to the case of every claim assigned, and presented by the assignee. The recovery is for the benefit of the assignee; but at common law he must do everything in the name of the assignor. And in such a case, if the assignor alone presents and proves, it might accrue to the benefit of the assignee, and be sufficient. But the more correct way would be for assignor and assignee to join.

If a bankrupt holds claims, of which the legal title is in him, but the beneficiary interests are in others, as if he be for any purpose a trustee for others, and a balance is due to him in that capacity, or to the fund which he holds representatively, from his general assets, he may present and prove this claim against his own estate.

Debts not yet payable can be proved. If they become due before a dividend, there is no deduction from them. If not, interest is deducted. In general, in order to equalize the claims, interest is cast upon all the claims proved to a certain day; and if a debt not yet due is then paid, in whole or in part, interest must be deducted to put it on an equal claim with others. If interest is cast for many years, compound interest is never allowed as such. But we presume that an account would be cast by commissioners of insolvency with annual rests, if it were one which would be so calculated in a suit against the insolvent.

So, persons holding annuities payable by the bankrupt have been permitted to come in, and have the value of the whole annuity reduced by computation to a single sum, and present and prove that as a debt. In several instances, a wife has been permitted to prove debts against her husband's estate. As where she held a bond or other legal instrument from him, payable at his death. Or if there were a settlement made upon

her before marriage, and a sum due to her from her husband's estate under that settlement; and a settlement made after marriage, in good faith, and before the husband became, or expected to be, insolvent, would have the same effect.

The assignees, who for many purposes represent the bankrupt, or insolvent, may make any defence to a claim which he could make. Hence, a debt for gaming, or one open to objection as usurious, or one without consideration, may be repelled. So, also, the assignees may make some defences which the bankrupt could not make. As if one presented a claim for damages for a tort, or personal injury, this may be rejected by the assignee, although the insolvent might be guilty and have no defence. The reason given seems to be, that the insolvent would not pay them if they were recovered, but that his other creditors would. This, however, is equally true of every other claim or debt, if the whole fund belongs to all the creditors, and cannot pay all in full. The true distinction, on principle, seems to be this: that, so far as the sum recoverable for wrong done is only an unliquidated compensation for personal harm, to be ascertained by a jury, and savors of punishment to the wrong-doer, the claim for it cannot be proved as a debt. But when judgment has been recovered for the tort, this takes the place of the original cause of action; and it is a debt which can be proved like any other. In some of the statutes it is expressly provided, that, if the claim be for goods or chattels wrongfully obtained by the debtor, it may be proved.

If the claim be merely contingent, that is, if it is to be valid and fixed if a certain event occur, and otherwise not, it may still be proved,—and not like an annuity, &c., by reduction to its present value, but at its full value; the payment of the dividend depending upon the happening of the event which is to make the claim valid, and being delayed until that event.

If a party holds a note which the bankrupt has indorsed or made, only to accommodate the holder, as there is no consideration for it, it cannot be proved. And, on the other hand, if the bankrupt holds a note made or indorsed to him without consideration, and for accommodation only, this note would not pass to the assignee as part of the bankrupt's assets. We should apply the same principle to the case of two promissory notes, both accommodation in so far as they were given for each other, that is, exchanged notes. Here, if at the time of the bankruptcy neither party had used his note, we should say that each should be returned, and not that the holder of the bankrupt's note should take his dividend, and pay the whole of the note given by him to the bankrupt. Each note was a good legal consideration for the other; but the principle of accommodation paper should apply to both. If, however, either of the notes had been used and transferred to a third party, this principle would no longer be applicable; and then the creditor would get only his dividend on the note he received, but must pay the whole of the note he gave.

At common law, if one guaranties a debt for another, in any form, as a surety, or as an indorser, he has no legal claim against that other until he pays the debt. Therefore he cannot, before such payment, compel the party for whom he is surety to give him security or indemnity; all he can do is to pay the debt, and then bring his action for damages. It is not so, however, under the bankrupt or insolvency law. Here, the fact

of the debtor's insolvency carries with it the inference that the surety will have to pay the debt he has guaranteed. The surety is, therefore, permitted to come in and prove as his claim the whole amount for which he is surety. But it is in the nature of a contingent claim. And no dividend is paid to him excepting on the sum which he has actually paid under his obligation as surety.

There is, however, a limitation to this right of the surety. He can prove his claim only when the debt already exists, although it may not now be payable. Thus, a surety for rent may prove for the rent due and unpaid, but not for any future rent. For this may never become due; as the tenant may be turned out, or something else occur to defeat the claim for rent. This might seem a little hard. Thus, if A hires of B a store for seven years, at $1,000 a year, and C is his surety for the rent, and after one year A fails, having paid no rent, C could have a dividend on what he pays for the year's rent that is due, but none on the remaining six years, for which he is bound. And the reason is, that, if B chooses not to terminate the lease, but to hold C for the six years, C acquires by paying the rent the right to use the premises himself, or to let them and take the rent.

There seems to be no way in which a surety may compel the party whom he guaranties to prove his claim and take his dividend from the assets of the debtor. This would, of course, diminish the liability of the surety just so far; and the surety ought to have the power of requiring this. In practice, a surety can only pay the debt, whether due or not, and is then subrogated to all the rights of the principal creditor. (By "subrogated to his rights" is meant, that he is put in his place and stead, and acquires his rights.) This prevents, probably, any practical mischief. And if the creditor, relying on his surety, and at the same time wishing to distress his surety, refused the payment tendered to him, and also refused to prove his debt, undoubtedly such conduct would be considered as a negligence or fraud, which would discharge the surety. For to all suretyship there must be attached the general condition, that the creditor shall do all that can reasonably be asked of him to secure the debt from the principal, or permit the surety to do it.

A creditor who holds security as collateral to his debt, may prove the balance due to him after deducting the value of the security. This value may be ascertained by the creditor's selling it, or, under our bankrupt law, by having it appraised, and taking it at its appraised value. In general, if he has any liens on any property whatever for his debt, he must make them reduce his debt as far as possible, or otherwise make them available to the assets, as by surrendering them to the assignees.

THE ASSIGNEE.

The assignee is usually selected or chosen by the creditors, at their first meeting; a majority in value of the creditors choosing, with some restrictions; as that a certain number must concur in the choice, in order to prevent one or two very large creditors from deciding the question. If the creditors fail, or decline, to choose, usually the judge or commissioner presiding may appoint. The assignee, or assignees, thus chosen, must signify their assent within a certain time, which is usually a short one.

It is his duty to act as a faithful trustee for all concerned; and with

impartial justice to all. It would be impossible to enumerate all his duties. The principal among them are, to ascertain the regularity and sufficiency of the proceedings thus far; to take immediate possession of all the assets (which mean property and effects and valuable interests of every kind which are available for the fund) of the insolvent, and demand and take any necessary steps to collect all outstanding assets of every kind. And he must take due care of the property thus collected. In general, he is clothed with the power, and is subject to the responsibilities and disabilities, of a trustee. In one case his responsibility as trustee was so strictly construed, that an assignee who was an accountant was not allowed to charge for his services as accountant. So, if he sells any property of the insolvent, he cannot buy it himself.

He may compound debts due, or otherwise arrange for them, but on his own responsibility, unless under order of the supervising court, which it is always prudent, and perhaps necessary, to obtain, previous to any action of the kind. And the same thing is true of any temporary investment, or any change of investment of the assets. Generally, he should deposit all moneys, as soon as collected, in some bank of perfectly good credit, and to the special account of the fund of the assignment. He may redeem mortgages or pledges; but here, also, he should obtain the sanction of the court. So he may transfer notes payable to the insolvent, by indorsing them in his own name. And where a note was actually transferred before insolvency, by the insolvent, to a *bona fide* holder, and the insolvent intended to indorse the same, but neglected to do so, the assignee may indorse it for the holder.

It is undoubtedly the rule, that, when the assignee acts in the discharge of simple and ordinary duties, he is liable only for want of ordinary skill and care. But, as he may have the order of the court in all extraordinary cases, if he does not obtain this, but acts on his own judgment, he is held to a more stringent responsibility. It is not always easy to draw the line between these two classes of cases. The statutes provide for some of them; practice, or the obvious reason of the thing, for more; and where there is any doubt, it is always in the power of the assignee, and always prudent for him, to have the direction and authority of the court.

The assignee is, in general, subject to the same equities as the insolvent, whose title to anything is not confirmed by passing to the hands of the assignee, even where it would be so by transfer for value to a third party. Thus, if a negotiable note were held by an insolvent, who had bought it with knowledge that the consideration had failed, the promisor would have a good defence if he were sued by the insolvent himself, but not if he were sued by a third party, who bought it for value without notice or knowledge of the defence. But the same defence may be made to the action if it be brought by the assignee, whether the assignee has any such knowledge or not, because he has not *purchased* the note.

We have said that the assignee is bound to take possession of the whole estate of the insolvent. But here also he has, and should exercise, a discretion. If the property be encumbered by liens, or obligations, which would reduce its value to nothing, and for which the assignee makes himself or his fund responsible by taking possession, he may and should decline the possession. Leasehold property, for example, may be held by the insolvent on terms which require him to pay for it more than it is

worth; and if the assignee takes possession of this property under the assignment, he would be liable for the rent. This he should avoid. But here also, we repeat, he would be safest in acting under the direction of the court.

The assignee may sue in his own name, even upon covenants made with the insolvent. And all the assignees of any insolvent should join in bringing any suit.

(To be continued.)

COMMERCE OF THE UNITED STATES FOR 1864.

GROSS EXPORTS AND IMPORTS FROM 1790 TO 1864—EXPORTS AND IMPORTS OF COIN AND BULLION FROM 1821 TO 1864—EXPORTS OF BREADSTUFFS, COTTON, PROVISIONS, ETC., FROM 1859 TO 1864—ALSO VALUE OF MANUFACTURES EXPORTED FROM 1856 TO 1864.

We are able, through the Treasury Department, to give some important tables showing the commercial and financial movements for the fiscal year ending June 30, 1864.

EXPORTS AND IMPORTS.

The following gives the gross value of the exports and imports to and from the United States, from the formation of the Government up to and including the last fiscal year. It is necessary, however, to remember that the imports are stated at their invoiced specie values, while the exports of domestic produce, manufactures, etc., for the past three years, are the currency values. Hence the apparent excess of exports for those years is not real:

THE GROSS VALUE OF THE EXPORTS AND IMPORTS FROM 1790 TO JUNE 30, 1864.

Year ending—	EXPORTS. Domestic produce.	Foreign merchandise.	Total.	Imports. Total.	Excess of exports.	Excess of imports.
1790.	$19,566,000	$539,156	$20,205,156	$23,000,000	....	$2,794,844
1791.	18,500,000	512,041	19,012,041	29,200,000	.....	10,187,959
1792.	19,000,000	1,763,098	20,763,098	31,500,000	.....	10,546,902
1793.	24,000,000	2,109,572	26,109,572	31,100,000	.....	4,990,428
1794.	26,500,000	6,526,233	33,026,233	34,600,000	.....	1,573,767
1795.	39,500,000	8,489,472	47,989,472	69,756,268	.....	21,766,796
1796.	40,764,097	26,800,000	67,064,097	81,436,164	....	14,372,067
1797.	29,850,206	27,000,000	56,850,206	75,379,406	.....	18,529,200
1798.	28,527,097	33,000,000	61,527,097	68,551,700	.....	7,024,603
1799.	33,142,522	45,523,000	78,665,522	79,060,148	.....	403,626
1800.	31,840,903	39,130,877	70,971,780	91,252,768	.....	20,280,988
1801.	47,473,204	46,642,721	94,115,925	111,363,511	.....	17,247 586
1802.	36,708,189	35,774,971	72,483,160	76,333.333	.....	3,850,173
1803.	42,205,961	13,594,072	55,800,033	64,666,666	.....	8,866,633
1804.	41,467,477	36,231,597	77,699,074	85,000,000	....	7,300,926
1805.	42,357,002	53,179,019	95,566 021	120,600,000	.....	25,033,979
1806.	41,253,727	60,283,236	101,536,963	129,410,000	.....	17,873,037
1807.	48,699,592	59,643,558	108,343,150	138,500,000	.....	30,156,850
1808.	9,433,546	12,997,414	22,430,960	56,990,000	.....	34,559,040
1809.	31,405,702	20,797,531	52,203,233	59,400,000	.....	7,196,767
1810.	42,366,675	24,391,295	66,657,9 0	85,400,000	.....	18,742,030
1811.	45,294,043	16,022,790	61,316;833	53,400,000	$7,916,833	.....
1812.	30,032,109	8,495,127	38,527,236	77,030,000	.....	38,502,764
1813.	25,008,132	2,847,865	27,855,927	22,005,000	5,850,927	....
1814.	6,782,272	145,169	6,927,441	12,965,000	.... ..	6,041,559
1815.	45,974,403	6,583,350	52,557,753	113,041,274	.....	60,483,521
1816.	64,781,896	17,138,156	81,920,452	147,103,000	.....	65,182,548

1817.	68,313,500	19,358,069	87,671,560	99,250,000	.....	11,578,440
1818.	73,854,437	19,426,696	93,281,133	121,750,000	.....	28,468,867
1819.	50,976,888	19,165,688	70,142,521	87,125,000	.....	16,982,479
1820.	51,685,640	18,008,029	69,691,669	74,450,000	.....	4,758,331
1821.	43,671,894	21,302,488	64,974,382	62,585,724	2,088,658	.....
1822.	49,874,079	22,286,202	72,160,281	83,241,541	.....	11,081,260
1823.	47,155,408	27,543,622	74,699,030	77,579,267	.....	2,880,237
1824.	50,649,500	25,337,157	75,986,657	89,549,007	.....	13,562,350
1825.	66,944,745	32,590,643	99,535,388	96,340,075	3,195,313	.....
1826.	58,055,710	24,530,612	77,595,322	84,974,477	.....	7,379,155
1827.	58,921,691	23,403,136	82,324,727	79,484,063	2,840,659	.....
1828.	50,669,669	21,595,017	72,264,686	88,509,824	.....	16,245,138
1829.	55,700,193	16 658,478	72,358,671	74,492,527	.....	2,153,856
1830.	59,462,029	14,387,479	73,849,508	70,876,920	2,972,588	.....
1831.	61,277,057	20,033,526	81,310,583	103,191,124	.....	21,880,541
1832.	68,137,470	24,039,473	87,176,943	101,029,266	.....	13,852,328
1833.	70,317,698	19,822,735	90,140,443	108,118,311	.....	17,977,868
1834.	81,024,162	23,312,811	104,336,973	126,521,232	.....	22,184,359
1835.	101,189,182	20,504,495	121,693,577	149,895,742	.....	28,202,165
1836.	106,916,680	21,746,360	128,663,040	189,980,035	.....	61,316,995
1837.	95,564,414	21,854,962	117,419,376	140,989,217	.....	23,569,841
1838.	96,033,821	12,452,795	108,486,616	113,717,404	.....	5,230,788
1839.	103,538,691	17,494,525	121,028,416	162,092,132	.....	41,063,716
1840.	113,895,634	18,190,312	132,085,936	107,141,519	24,944,417	.....
1841.	106,382,722	15,469,081	121,851,803	127,946,177	.....	6,094,374
1842 9 mos., to June 30—	92,969,996	11,721,538	104,691,534	100,162,087	4,529,447	.....
1843.	77,793,783	6,552,697	84,346,480	64,753,799	19,592,681	.....
Year end'g June 30—						
1844.	99,716,179	11,484,867	111,200,046	108,435,035	2,765,011	.....
1845.	99,299,776	15,346,830	114,646,606	117,254,564	.....	2,607,958
1846.	102,841,893	11,346,623	113,488,516	121,691,797	.....	8,203,281
1847.	150,657,464	8,011,158	158,648,622	146,545,638	12,102,984	.....
1848.	132,904,121	21,128,010	154,032,131	154,993,928	.....	966,797
1849.	132,666,955	13,088,865	145,755,820	147,857,439	.....	2,101,619
1850.	136,946,912	14,951,808	151,898,720	178,138,318	.....	26,239,598
1851.	196,689,718	21,698,293	218,388,011	216,224,932	2,163,079	.....
1852.	192,366,984	17,289,382	209,658,366	212,945,442	.....	3,287,076
1853.	213,417,597	17,558,460	230,976,157	267,978,647	.....	37,002,490
1854.	253,390,870	24,850,194	278,241,064	304,562,381	.....	26,321,317
1855.	246,708,553	28,448,293	275,156,846	261,468,520	13,688,326	.....
1856.	310,586,330	16,378,578	326,964,908	314,639,942	12,324,966	.....
1857.	338,985,065	23,975,617	362,960,682	360,890,141	2,070,541	.....
1858.	293,758 279	30,886,142	324,644,421	282,613,150	42,031,271	.....
1859.	335,894,385	20,895,077	356,789,462	338,768,130	18,021,332	.....
1860.	373,189,274	26,933,922	400,122,296	362,162,541	37,959,755	.....
1861.	389,711,391	21,145,427	410,856,818	352,075,535	58,781,283	.....
1862.	213,069,519	16,869,466	229,938,975	205,819,923	24,119,152	.....
1863.	324.092,877	25,959,248	350,052.125	252,187,587	97,864,538	.....
1864.	320,292,171	20,378,409	340,665,580	328,514,559	12,151,521	.....

That our readers may see at a glance the total exports and imports of coin and bullion, we give the following table covering the years from 1821 to 1864, inclusive:

THE EXPORTS AND IMPORTS OF COIN AND BULLION FROM 1821 TO 1864, INCLUSIVE, AND ALSO THE EXCESS OF IMPORTS AND EXPORTS DURING THE SAME YEARS.

Fiscal Year ending Sept. 30—	Imported.	EXPORTED. American.	Foreign.	Total.	Excess of imports.	Excess of exports.
1821.	$8,064,890	.....	$10,478,059	$10,478,059	....	$2,413,169
1822.	3,369,846	.....	10,810,180	10,810,180	.....	7,440,334

1823.	5,097,896	.....	6,372,897	6,372,897	.....	1,275,091
1824.	8,378,970	.....	7,014,552	7,014,552	$1,366,148	.....
1825.	6,150,765	.....	8,797,055	8,797,055	.....	2,646,290
1826.	6,880,966	$605,555	4,098,678	4,704,533	2,176,433	.....
1827.	8,151,130	1,043,574	6,971,306	8,014,880	136,250	.....
1828.	7,489,741	693,037	7,550,439	8,243,476	.....	753,735
1829.	7,403,612	612,886	4,311,134	4,924,020	2,479,592	.....
1830.	8,155,964	937,151	1,241,622	2,178,773	5,977,191	.....
1831.	7,305,945	2,058,474	6,956,457	9,014,931	.....	1,708,986
1832.	5,907,504	1,410,941	4,245,399	5,656,340	251,164	.....
1833.	7,070,368	366,842	2,244,859	2,611,701	4,458,667	.....
1834.	17,911,632	400,500	1,676,258	2,076,758	15,834,874	.....
1835.	13,131,447	729,601	5,748,174	6,477,775	6,653,672	.....
1836.	13,400,881	345,738	3,978,598	4,324,336	9,076,545	.....
1837.	10,516,414	1,283,519	4,692,730	5,976,249	4,540,165	.....
1838.	17,747,116	472,941	3,035,105	3,508,046	14,239,070	.....
1839.	5,595,176	1,908,358	6,868,385	8,776,743	.....	3,181,567
1840.	8,882,813	2,235,073	6,181,941	8,417,014	465,799	.....
1841.	4,988,633	2,746,486	7,287,846	10,034,332	.....	5,045,699
1842.	4,087,016	1,170,754	3,642,785	4,813,539	.....	726,523
9 mos. to June 30—						
1843.	22,390,559	107,429	1,413,362	1,520,791	20,869,768	.....
Year end'g June 30—						
1844.	5,830,429	183,405	5,270,809	5,454,214	376,215	.....
1845.	4,070,242	844,446	7,762,049	8,606,495	.....	4,536,253
1846.	3,777,732	423,851	3,481,417	3,905,268	.....	127,536
1847.	24,121,289	62,620	1,844,404	1,907,024	22,214,265	.....
1848.	6,360,284	2,700,412	13,141,204	15,841,616	.....	9,481,332
1849.	6,651,240	956,874	4,447,774	5,404,648	1,246,592	.....
1850.	4,628,792	2,046,679	5,476,315	7,522,994	.....	2,894,202
1851.	5,453,592	18,069,580	11,403,172	29,472,752	.....	24,019,160
1852.	5,505,044	37,437,837	5,236,298	42,674,135	.....	37,169,091
1853.	4,201,382	23,548,535	3,938,340	27,486,875	.....	23,285,493
1854.	6,939,342	38,062,570	3,218,934	41,281,504	.....	34,342,162
1855.	3,659,812	53,957,418	2,289,925	56,247,343	.....	52,587,531
1856.	4,207,632	44,148,279	1,597,206	45,745,485	.....	41,537,853
1857.	12,461,799	60,078,352	9,055,570	69,136,922	.....	56,675,123
1858.	19,274,496	42,407,246	10,225,901	52,633,147	.....	33,358,651
1859.	7,434,789	57,502,305	6,385,106	63,887,411	.....	56,452,622
1860.	8,550,135	56,946,851	9,599,388	66,546,239	.....	57,996,104
1861.	46,339,611	23,798,870	5,991,310	29,791,180	16,538,431	.....
1862.	16,415,052	31,044,651	5,842,989	36,887,640	.....	20,472,588
1863.	9,584,105	74,201,433	8,168,949	82,364,482	.....	72,780,377
1864.	13,155,706	100,219,065	4,906,685	105,125,750	.....	91,970,044

The exports of American gold for the years 1863 and 1864 have been corrected from the returns heretofore published, and now embrace a large unusual shipment from California to England, on account of New York and other Eastern holders taking that direction for safety of transit. The sums added were $18,207,879 in 1862–63, and $35,735,265 in 1863–64.

EXPORTS OF STAPLE PRODUCTS, MANUFACTURES, ETC.

The first of the following tables gives the quantity and value of the exports of cotton, tobacco, coal, breadstuffs, provisions, oils, animal products, etc., for the last five fiscal years, and the second gives the values of manufactures exported for nine years. It will be remembered that the values of these exports are stated in currency:

EXPORTS OF COTTON, BREADSTUFFS, PROVISIONS, OILS, ANIMAL PRODUCTS, &c., FOR FOUR YEARS ENDING JUNE 30.

Articles.	1860-'61		1861-'62		1862-'63		1863-'64	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
Wheat ..... bushels	31,288,057	$38,313,624	37,289,572	$42,573,295	36,160,414	$46,754,195	23,680,651	$31,430,270
Wheat flour ..... barrels	4,823,756	24,645,849	4,882,033	27,534,677	4,390,055	28,366,069	3,543,263	25,458,989
Indian corn..... bushels	10,678,244	6,890,865	18,904,909	10,387,383	16,119,476	10,592,704	4,075,889	3,321,526
Corn meal..... barrels	203,313	692,008	253,570	778,344	257,948	1,013,272	262,347	1,349,688
Rye and other grains.....	.....	1,124,556	.....	2,364,625	.....	1,883,757	.....	918,501
Rye and other meals..... barrels	14,143	55,761	14,468	54,488	8,684	38,067	7,199	37,991
Bread or biscuit..... barrels	129,114	429,708	148,577	490,942	156,667	582,268	154,895	656,408
Rice..... barrels	108,781	2,382,178	10,554	156,899	4,237	83,404	5,899	83,244
Beef..... barrels	128,201	1,675,778	136,022	2,017,077	146,298	2,185,921	178,098	3,019,733
Butter..... pounds	15,531,381	2,355,985	26,691,247	4,164,344	35,172,415	6,733,743	20,795,195	6,121,365
Cheese..... pounds	32,361,428	3,321,631	34,052,678	2,715,892	42,045,054	4,216,804	47,733,337	5,634,515
Pork..... barrels	156,487	2,609,818	309,102	3,980,153	327,852	4,334,775	312,325	5,820,648
Hams and bacon ....pounds	50,264,267	4,848,339	141,212,786	10,290,572	218,243,609	18,658,280	110,759,485	12,303,729
Lard ..... pounds	47,908,911	4,729,297	118,573,307	10,004,521	155,836,596	15,755,570	85,385,387	11,033 933
Lard oil..... ... gallons	85,676	81,783	289,608	148,056	1,259,063	983,349	439,586	376,683
Tallow..... .....pounds	29,718,364	2,942,780	46,773,768	4,026,118	63,792,754	6,758,846	55,015,875	6 191,743
Candles..... .....pounds	5,026,667	826,955	6,100,029	901,330	6,838,353	1,187,864	5,576,580	1,046,406
Soaps..... .....pounds	7,202,130	455,648	9,956,984	636,049	9,097,664	786,524	8.029,882	770,601
Fish, pickled..... barrels	49,683	244,628	71,844	330,685	76,668	429,316	78 896	507,719
Fish, dry..... pounds	24 598,336	634,941	28,091,728	712,584	25,562,208	921,131	21,541,744	967,136
Oils, whale, (and sperm)..... gallons	2,527,925	2,692,067	3,338,793	2,243,300	3,090.305	3,052 880‡	1.266,291	1,735.575
Oils, coal and petroleum..... gallons	.....	.....	5,828,929	1,539,027	155 874	27,839	28,192,280	10,771,292
Spirits, distilled ..... gallons	6,542,464	2,311,685	7,220,874	2,622,438	7,396,925	3,405,572	2,483,742	1,426,182
Tobacco, in leaf..... hogsheads*	168,469	13,784,710	116,728	12,825,356	117,218	19,752,076	114,177	22,811,630
Tobacco, manufactured (and snuff). lbs.	14 864,828	2,760,531	4,110,802	1,076,644	7,070,172	3,398,177	3,666,320	8,571,801
Cotton..... .....pounds	307,516,099†	34,051,488†	5,064,564	1,180,113	11,384,986	6,652,405	10,840.584	9,044,840
Coal .....tons	158,171	577,386	213,046	837,117	186,960	993,309	172 971	1,207,802
Clover seed..... . ..... bushels	200,417	1,063,141	66,064	295,255	389,554	2,185,706	73,981	501,175
Hops ....pounds	8,835,837	2,006,053	5,851,246	663,308	8,864,081	1,733,265	5,550,755	1,216,965
Hides.....	.....	673,818	.....	518,687	.....	855,855	.....	803,811
Ice .....tons	44,753	172,263	48,390	182,667	46,538	169,757	47,470	277,421
Animals, living.....	...	640.223	....	606,810	.....	837,189	.....	251,172

* Cases and bales converted to hogsheads, at 3 to 1. † The recorded quantities and values; but the actual total exports may be assumed at 1,750,000,000 pounds, value $185,000,000. ‡ Petroleum not reported; but the total export was nearly 22,500,000 gallons, value $6,800,000.

VALUE OF LEADING ARTICLES OF MANUFACTURE EXPORTED DURING THE FISCAL YEARS ENDING JUNE 30, FROM 1856 TO 1864.

Articles.	1856.	1857.	1858.	1859.	1860.	1861.	1862.	1863.	1864.
Ashes	$429,428	$696,867	$554,744	$648,861	$822,820	$651,547	$457,049	$513,704	$467,192
Beer and ale	45,086	43,732	59,532	78,226	53,573	39,480	54,696	127,076	118,451
Books	202,502	277,647	209,774	319,080	278,268	250,365	214,281	221,700	258,534
Boots and shoes	1,060,967	818,995	663,905	820,175	782,525	779,876	721,241	1,328,735	1,282,314
Bread and biscuit	497,741	563,266	472,372	512,910	478,740	429,708	490,942	582,268	656,408
Cables and cordage	367,182	286,163	212,840	320,435	246,572	255,274	199,669	408,347	540,439
Candles, spermaceti	48,449	35,121	66,012	46,278	51,829	143,907	64,481	76,946	60,323
tallow, adamantine and all other	766,588	677,898	628,599	671,750	708,699	638,048	836 849	1,110,918	786,083
Carriages, wagons and cars	370,259	476,894	777,921	655,600	816,973	472,080	519,175	764.000	743,340
Chocolate	1,476	1,982	2,304	2,444	2,593	2,157	4,288	1,686	5,307
Clothing	278,832	333,442	210,695	470,613	525,175	462,554	472,924	950,332	574,016
Combs and buttons	32,653	39,799	46,349	46,007	23,345	32,792	12,994	40,036	62,716
Copper and brass manufactures: chandeliers and gas fixtures	534,846	607,054	1,985,223	1,048,246	1,664,122	2,375,029	1,098,546	1,026,038	818,664
Cotton manufactures: piece goods, brown	4,616,264	3,715,339	1,782,025	1,518,236	1,785,595	1,377,627	508,004	322,816	244,562
piece goods, printed	1,966,845	1,785,685	2,069,194	2,320,890	3,356,449	2,215,032	587,500	630,558	106,878
twist, yarn and thread	.....	.....	.....	.....	.....	.....	.....	.....	.....
all other manufactures	384,200	614,153	1,800,285	4,477,096	5,792,752	4,364,379	1,850,960	1,950,997	894,776
Drugs, medicinal	1,066,294	886,909	681,278	796,008	1,115,455	1,149,433	1,490,336	1,954,446	1,551,632
Earthen and stone-ware	66,696	34,256	36,783	47,261	65,086	40,524	32,108	88,153	65,808
Fire engines and apparatus	29,088	21,524	7,220	3,213	9,948	7,940	36,230	9,706	14,222
Glassware	216,439	179,900	214.608	252,316	277,948	394,731	523,906	1,000,980	796,174
Gold and silver manufactures	6,116	15,477	26,386	35,947	140,187	53,372	63,078	165,844	58,012
Gunpowder	644,974	398,244	365,173	371,603	467,772	347,103	101,803	48,208	40,601
Hats	226,682	254,208	126.525	216,704	211,602	156,956	132,727	279,088	178,002
Hemp manfactures, not cordage	26,035	34,753	89,092	18,878	27,814	39,570	31,940	122,204	89,103
House furniture	982,042	870,448	932,499	1,067,197	1,079,114	838,049	942,454	1,278,977	1,378,755
India-rubber manufactures	1,093,538	643,512	313,379	198,827	240,841	193,691	143,856	247,600	268,806
Iron, pig, bar and nails	286,980	397,313	205,931	257,662	246,154	311,321	259,852	450,671	564,962
castings	288,316	289,967	464,415	128,659	282,548	76,750	54,671	56,853	237,613
all other manufactures of iron and steel	3,585,712	4,197,687	4,059,528	5,117,846	5,174,040	5,536,576	4,212,448	5,955,750	5,361,103
Lead, and manufactures of lead and of pewter	33,140	63,442	75,446	57,857	96,527	36,775	36,166	52,920	144,729

Articles.	1856.	1857.	1858.	1859.	1860.	1861.	1862.	1863.	1864.
Leather, common	$252,844	$497,714	$605,589	$499,718	$674,309	$555,202	$389,007	$634,897	$371,170
morocco and other fine	5,765	2,119	13,999	41,465	19,011	7,507	13,409	18,719	21,108
Lime, cement and bricks	64,297	68,002	103,821	160,611	154,045	93,292	83,385	98,973	123,307
Lumber, boards and other	803,684	638,406	1,240,425	1,001,216	705,119	441,979	3,178,735	3,705,853	3,978,100
masts, spars and hewn timber.	234,969	516,735	292,163	367,609	231,668	97,875	138,521	8,036	142,425
Marble and stone manufactures	162,876	111,403	138,590	112,214	176,239	185,267	195,442	138,214	144,217
Musical instruments	133,517	127,748	97,775	155,101	129,653	150,974	147,826	148,732	171,542
Oils, lard	161,232	92,499	60,958	50,793	55,783	81,783	152,026	983,349	376,682
linseed	57,190	54,144	48,225	34,194	26,799	27,982	20,893	29,861	80,997
petroleum and coal	.....	.....	.....	.....	.....	150,000	1,539,027	3,750,000	10,771,292
Paints and varnish	217,173	223,320	131,217	185,068	223,809	240,923	264,114	436,833	261,639
Paper and stationery	203,017	224,767	229,991	299,857	285,798	347,915	399,793	593,036	542,610
Printing presses and type	67,519	52,747	106,498	68,868	157,124	106,562	169,147	206,037	157,095
Saddlery	31,249	45,222	55,280	58,870	71,332	61,469	67,759	167,711	119,571
Soap	434,176	530,085	305,704	466,215	494,305	455,648	636,049	736,524	770,601
Spirits, alcoholic, from grain	500,945	1,248,234	476,722	278,576	321,595	867,954	328,414	1,390,538	717,644
all other	1,424,635	1,336,646	1,517,123	949,635	1,149,843	1,443,731	2,293,563	2,015,084	708,538
Spirits of turpentine	839,048	741,346	1,089,282	1,306,035	1,916,289	1,192,787	54,691	143,777	87,863
Staves, shooks and heading	1,864,281	2,055,980	1,975,852	2,410,334	2,365,516	1,959,392	2,590,649	4,489,069	4,169,348
Sugar, brown	404,145	190,012	375,062	169,935	103,244	301,329	90,022	87,592	64,994
refined	360,444	368,206	200,724	377,944	301,674	287,881	147,397	354,919	258,952
Tin ware	13,610	5,623	24,186	39,289	39,064	30,229	62,286	41,558	45,056
Tobacco, manufactured, (cigars and snuff included)	1,829,207	1,458,553	2,410,224	3,402,491	3,383,428	2,760,581	1,076,644	3,398,181	3,648,095
Trunks and valises	32,457	37,748	59,441	42,153	50,184	40,622	50,771	80,780	109,532
Umbrellas and parasols	5,989	6,846	6,389	4,887	4,862	1,271	553	3,123	6,979
Vinegar	26,034	30,788	24,336	35,156	41,368	38,262	29,701	34,376	40,347
Wax	74,005	91,983	85,926	94,850	131,803	94,495	47,383	80,899	170,418
Wood manufactures, not stated	2,501,583	3,158,424	2,234,678	2,339,861	2,703,095	2,344,079	1,755,793	2,547,357	2,672,410
Unenumerated articles	3,751,792	3,484,870	2,804,526	2,465,653	2,534,959	2,691,296	3,090,191	3,078,639	7,396,339
Totals	36,612,053	36,655,296	35,853,693	39,934,373	45,237,384	40,730,883	35,168,315	51,119,924	55,998,396

The tonnage of the United States since 1822 has been each year as follows:

THE TONNAGE OF THE UNITED STATES ANNUALLY FROM 1822 TO 1864, INCLUSIVE.

Year ending—	Registered sail tonnage.	Registered steam tonnage.	Enrolled and licensed sail tonnage.	Enrolled and lic'ns'd steam tonnage.	Total tonnage.
	Tons.	*Tons.*	*Tons.*	*Tons.*	*Tons.*
Dec. 31, 1822	628,150	.....	696,549	.....	1,324,696
1823	639,921	.....	671,766	24,879	1,336,566
1824	669,973	.....	697,580	21,610	1,389,163
1825	700,788	.....	699,263	23,061	1,423,112
1826	737,978	.....	762,154	34,059	1,534,191
1827	747,170	.....	833,240	40,198	1,620,608
1828	812,619	.....	889,355	39,418	1,741,392
1829	650,143	.....	556,618	54,037	1,260,798
1830	575,056	1,419	552,248	63,053	1,191,776
1831	619,575	877	613,827	33,568	1,267,847
1832	686,809	181	661,827	90,633	1,439,450
1833	749,482	545	754,819	101,305	1,606,151
1834	857,098	340	778,995	122,474	1,758,907
Sept. 30, 1835	885,481	340	816,645	122,474	1,824,940
1836	897,321	454	839,226	145,102	1,822,103
1837	809,343	1,104	932,576	153,661	1,896,684
1838	819,801	2,791	982,416	190,632	1,995,640
1839	829,096	5,149	1,062,445	199,789	2,096,479
1840	895,610	4,155	1,082,815	198,184	2,180,764
1841	945,057	746	1,010,599	174,342	2,130,744
1842	970,658	4,701	892,072	224,960	2,092,391
June 30, 1843	1,003,932	5,373	917,804	231,494	2,158,603
1844	1,061,856	6,909	946,060	265,270	2,280,095
1845	1,088,680	6,492	1,002,303	319,527	2,417,002
1846	1,123,999	6,287	1,090,192	341,606	2,562,084
1847	1,235,682	5,631	1,198,523	399,210	2,839,046
1848	1,344,819	16,068	1,381,332	411,823	3,154,042
1849	1,418,072	20,870	1,453,459	441,525	3,334,016
1850	1,540,769	44,429	1,468,738	481,005	3,535,454
1851	1,663,917	62,390	1,524,915	521,217	3,772,439
1852	1,819,774	79,704	1,675,456	563,536	4,138,440
1853	2,013,154	90,520	1,789,288	514,098	4,407,010
1854	2,238,783	95,036	1,887,512	581,571	4,802,902
1855	2,440,091	115,045	2,021,625	655,240	5,212,001
1856	2,401,687	89,715	1,796,888	583,362	4,871,652
1857	2,377,094	86,873	1,857,964	618,911	4,940,842
1858	2,499,742	78,027	2,550,067	651,863	5,049,808
1859	2,414,654	92,748	1,961,681	676,005	5,145,038
1860	2,448,941	97,296	2,036,990	770,641	5,353,868
1861	2,540,020	102,608	2,122,589	774,596	5,539,813
1862	2,177,253	113,998	2,224,449	596,465	5,112,165
1863	1,892,899	133,215	2,660,312	439,755	5,126,081
1864	1,475,376	106,519	2,550,690	853,816	4,986,401

COMMERCIAL CHRONICLE AND REVIEW.

IMPORTS OF FOREIGN DRY GOODS—BUSINESS DULL—PRICES AS AFFECTED BY PEACE—INTERNAL REVENUE LAW—NEW TREASURER—COMMERCE AT PORT OF NEW YORK—UNITED STATES DEBT—PRICES U. S. PAPER AND GOLD—SPECIE EXPORTS AND IMPORTS—SHIPMENTS OF SPECIE FROM CALIFORNIA—GOLD AND SILVER IMPORTED AND EXPORTED FROM AND TO FRANCE—PRICES OF EXCHANGE.

But little business has been doing the past month. The future is, as far as prices are concerned, considered to be so uncertain, that every prudent man must act with caution. A good illustration of the want of confidence, now universal, is seen in the imports of foreign dry goods since the first of January, the total being only about one third the total for the same period last year.

IMPORTS OF FOREIGN DRY GOODS AT NEW YORK FOR FOUR WEEKS ENDING FEBRUARY 24.

ENTERED FOR CONSUMPTION.

	1863.	1864.	1865.
Manufactures of Wool.....	$1,755,134	$3,937,865	$1,039,257
Do. Cotton	509,545	959,224	394,507
Do. Silk.....	983,832	2,174,326	367,536
Do. Flax	570,784	838,640	521,575
Miscellaneous Dry Goods.....	251,257	455,402	155,918
Total entered for consumption.....	$4,070,552	$8,365,457	$2,478,793

WITHDRAWN FROM WAREHOUSE.

	1863.	1864.	1865.
Manufactures of Wool.....	$352,062	$614,321	$561,965
Do. Cotton.....	180,107	243,020	307,188
Do. Silk.....	218,396	348,976	315,333
Do. Flax	148,369	312,522	390,184
Miscellaneous Dry Goods	49,956	63,066	107,686
Total withdrawn from warehouse..	$948,890	$1,581,905	$1,682,311
Add entered for consumption.....	4,070,552	8,365,457	2,478,793
Total thrown on the market.....	$5,019,442	$9,947,362	$4,161,104

ENTERED FOR WAREHOUSING.

	1863.	1864.	1865.
Manufactures of Wool.....	$416,899	$439,602	$469,538
Do. Cotton....	153,437	105,291	245,968
Do. Silk.....	266,671	288,511	207,927
Do. Flax	69,289	209,052	275,599
Miscellaneous Dry Goods.....	51,009	29,541	45 865
Total entered for warehousing ...	$957,305	$1,071,997	$1,244,897
Add entered for consumption.....	4,070,552	8,365,457	2,478,793
Total entered at the port.....	$5,027,857	$9,437,454	$3,723,690

These figures are the specie values representing the foreign cost, without freight or duty. It will be seen that the withdrawals from warehouse exceed

the entries by nearly half a million dollars. The following will show the relative totals since January 1st :—

IMPORTS OF FOREIGN DRY GOODS AT NEW YORK FOR TWO MONTHS FROM JANUARY 1ST.

ENTERED FOR CONSUMPTION.

	1863.	1864.	1865.
Manufactures of Wool.....	$3,817,146	$6,526,350	$1,444,584
Do. Cotton.....	1,132,360	1,940,274	550,412
Do. Silk.....	1,594,027	3,684,254	571,016
Do. Flax.....	1,424,140	1,785,088	951,902
Miscellaneous Dry Goods	510,349	848,618	281,598
Total entered for consumption....	$7,978,022	$14,784,584	$3,799,462

WITHDRAWN FROM WAREHOUSE.

	1863.	1864.	1865.
Manufactures of Wool.....	$596,160	$1,239,066	$1,000,917
Do. Cotton.....	361,637	644,681	604,220
Do. Silk.....	399,309	798,450	462,089
Do. Flax.	303,132	689,139	324,581
Miscellaneous Dry Goods	82,768	111,691	184,038
Total withdrawn from warehouse..	$1,743,006	$3,433,027	$3,075,845
Add entered for consumption.....	7,978,022	14,784,584	3,799,462
Total thrown on the market.....	$9,721,028	$18,217,611	$6,875,307

ENTERED FOR WAREHOUSING.

	1863.	1864.	1865.
Manufactures of Wool.....	$1,036,375	$1,187,007	$857,668
Do. Cotton.....	380,572	399,670	505,719
Do. Silk	564,854	784,523	274,212
Do. Flax.....	246,758	431,998	543,687
Miscellaneous Dry Goods	90,457	83,991	93,577
Total entered for warehousing....	$2,319,016	$2,837,184	$2,274,863
Add entered for consumption.....	7,978,022	14,784,584	3,799,462
Total entered at the port	$10,297,038	$17,621,768	$6,074,325

The continued remarkable successes of the army lead to the belief that an early end to the war is probable. Of course the first effect of peace will be great depreciation of prices. If men's minds were governed by their judgment, rather than their fears, this would not be the case ; for prices cannot, of course, permanently fall, except as the currency is called in. Yet there will be a panic ; and those whose business it is to make money out of these fluctuations will increase it. Hence it is the part of wisdom, if peace is so near, to keep a small stock of goods on hand, so as to be able to purchase when prices are low. It is this fear of lower prices, and the desire to be in a condition to take advantage of them, that is the chief cause of the present stagnation.

But, besides this, the uncertainty with regard to the action that will be taken by Congress on the revenue law serves to increase the difficulty, and render more feverish all commercial and financial interests. This amendatory bill has been

reported back to the Senate, with sundry amendments, among which are the following:—

To strike out the exemption from duty or tax of Bibles, Testaments, or volumes consisting only of parts of either, prayer books, arithmetics, spelling books, geographies, grammars and school books of the kinds used in common primary schools, and all books printed exclusively for the use of Sunday schools. The House exemption was not to any volume valued at more than two dollars.

The Senate's Finance Committee report the following amendments to the tobacco clause:—On snuff manufactured of tobacco, or any substitute for tobacco, ground, dry or damp, pickled, scented or otherwise, of all descriptions, when prepared for use, forty cents per pound. The committee propose to strike out the tax of forty cents a pound on cavendish, plug, twist, and all other kinds of manufactured tobacco, not herein otherwise provided for. They propose thirty-five instead of forty cents a pound on fine cut chewing tobacco, whether manufactured with stems in or not, however sold, whether loose, in bulk or in packages, rolls, paper wrappers or boxes. On cigarettes made of tobacco enclosed in a paper wrapper and put up in packages containing not more than twenty-five cigarettes, and valued at not more than five dollars per one hundred packages, five cents per package. The committee propose to substitute for the House clause of sixty cents a pound on all cigars, cheroots and cigarettes a tax of five dollars per one thousand on cheroots, short sixes, and all cigars valued at less than fifteen dollars a thousand.

The committee leave the principle of the income tax untouched. viz:—A duty of five per cent on the excess over six hundred dollars, and not exceeding five thousand dollars, and a duty of ten per cent on the excess over five thousand dollars; but propose to strike out the following proviso:—That net profits realized by sales of real estate purchased since January 1, 1864, shall be chargeable as income, and losses on sales of real estate purchased since January 1, 1864, and sold within the year for which income is estimated, shall be deducted from the income of such year.

The committee propose to strike out the section providing that from and after the 1st of April, 1865, there shall be paid, in lieu of the duty now provided by law, on all cotton upon which no duty has been paid, and which is not exempted by law, a duty of six cents per pound until July 1, 1866, and on and after that date a duty of five cents per pound.

The committee also propose to exempt coal from the duty of twenty per centum additional on the rates now proposed to be increased to that extent on nearly all the articles included in the ninety-fourth section of the present law.

They report in favor of striking out the section that every National banking association, State bank or State banking association, shall pay a tax of ten per centum on the amount of notes of any State bank or State banking association paid out by them after the 1st of January next.

They propose to reduce the duty on crude petroleum from six to two cents per gallon.

The committee propose several new sections, namely:—Taxing sales 1-24 of one per centum, providing that the President shall appoint an additional Auditor to be called the Auditor of Internal Revenue, with the requisite number of clerks; authorizing the Secretary of the Treasury to appoint a Commission of three members, at $300 per month, to take into consideration and report on raising by taxation such revenue as may be necessary to supply the wants of the government; repealing or suspending the bounties on the tonnage of vessels engaged in bank or other cod fisheries from and after the 1st of April next, and during the present war and one year thereafter; that the present rates of postage on letters be increased from three to five cents after July 1, 1865.

Senator SHERMAN has given notice of an amendment which he intends to offer, providing that in lieu of the present duty there shall be collected on and after July 1, 1865, one fourth per cent per month, and after January, 1866, one half per cent on the average amount of national bank circulation.

It will be seen from the above that the changes proposed are important, and we have only noticed a small portion of them. Business cannot, however, be active, so long as this uncertainty envelopes the future.

On the question of prices, if the policy Government intends to pursue could be known it would serve to increase confidence. Is the volume of currency to be gradually diminished, or is it to be increased? Probably the answer to this question depends much upon who is to be our Treasurer It is now said that the Hon. HUGH M'CULLOCH is to receive the appointment. He certainly has had more experience than many of the other persons named, and would, we think, fill the place more acceptably. Many of the opinions he has expressed have been sound; and yet we cannot but remember that Mr. CHASE argued against the paper money system while he fostered it, and Mr. M'CULLOCH differs just as widely between his theory and his practice. At the end of December, 1863, he issued a circular to the National Banks, in which he predicted a financial collapse from the policy of the Government. He said that the seeming prosperity of the loyal States was "owing mainly to the large expenditures of the Government and the redundant currency which they seemed to render necessary," and that this currency would work great evils; and yet Mr. M'CULLOCH has been since that time at the head of a branch of the Treasury Department which has increased the volume of the currency not far from a hundred millions, and which, unless the law is amended, promises to increase it two hundred millions more in the future. The contrast between the preaching and the practice of our financiers has been so wide as to reflect discredit upon them and make them utterly unreliable.

What the new Secretary of the Treasury, whoever he may be, may do, will depend, to a great extent, upon contingencies, or, in other words, will depend upon the interests of those by whom he surrounds himself. If he will only have the wisdom to take the advice of sound men, rather than speculators, he will give satisfaction. Paper money is the life of speculation, and the issue of it will always be encouraged, and the retiring of it be deprecated by all who are thus trying to make money very fast.

Professor BOWEN, of Cambridge, in a recent letter, suggests the following method of contracting the currency, a measure he considers of vital importance to the best interests of the country:—

"In order to meet our present current expenses the receipts into the Treasury, from taxes and loans united, must average nearly three millions a day. Let the faith of the Government be pledged; that *one fifth part* of this sum shall be regularly devoted, as soon as received, to redeeming and destroying an equivalent amount of greenbacks. At the end of each week let an official statement be published of the amount thus redeemed, and let this amount be publicly burned. The sum thus canceled would be an average of three and a half millions a week—too little to create any immediate agitation or alarm in the stock market or the ordinary channels of business, but enough to contract the currency uniformly and without jar at such a rate that in seven months over one hundred millions would be permanently withdrawn from circulation, and gold would fall to about $1.30. I suppose, of course, that the Treasury should be deprived by law of any power to issue new greenbacks or *any other form of legal tender* notes to take the place of the sums thus canceled. Now my position is, that the mere formal announcement of this system would at once so buttress the public credit, depress the price of gold, check speculative enterprises, raise the relative value of the 7-30's, as compared with other government bonds, and thereby increase the rapidity with which this loan would be taken up, that within a fortnight the increase of the daily receipts into the United States Treasury would be so great that, even after the deduction of one fifth, the remaining sum available for use would be as large as it is at present. In other words, as soon as this policy could be fairly reduced to practice, the daily receipts would rise from $3,000,000 to at least

$3,800,000; and four-fifths of this latter amount, or as much as we need at present, would be available to meet the current expenses of the government."

In the mean time our foreign commerce shows gratifying changes compared with previous years. The following is a comparative statement, for three years, from July 1st to February 21. The imports are given in gold at their foreign cost, freight and duty unpaid; the exports of produce are given in their currency value at this port:—

COMMERCE OF NEW YORK FROM JULY 1ST TO DATE.

	1862-63.	1863-64.	1864-65
Imports merchandise.....	$115,163,722	$121,908,243	$93,593,547
Exports produce.....	124,862,262	100,745,879	162,534,422
Exports specie.....	38,673,892	36,795,581	26,035,417

The exports, as will be seen, have largely increased, while the imports have, at the same time, diminished.

A statement of the value of the imports and exports at the port of Boston, for the month of January, 1865, show the same tendency. The total value of imports amounts to $1,192,653, and the total value of exports to $1,991,971. This shows an increase of exports over imports of $799,318. The amount of merchandise withdrawn from warehouse for consumption is $1,151,397, and imports entered for consumption $481,026, showing the value of merchandise thrown on the market to be $1,632,423.

The condition of the public debt on January 31, is, by a published statement, not official however, described as follows:—

		Principal.	*Interest.*
Aggregate of debt bearing interest in coin.....		$1,087,550,438	$63,433,131
Aggregate of debt bearing interest in lawful money		608,570,952	29,898,770
Aggregate of debt on which interest has ceased		350,570	
Aggregate of legal tender debt, bearing no interest..... ...		433,160,369	
Aggregate of fractional currency.....		24,096,913	
Total.....		$2,153,735,444	$93,131,901
Unpaid requisitions.....	$126,100,000		
Amount in Treasury...	10,262,958—	115,837,042	
Total.....		$2,269,572,486	

Internal revenue for January 31, 1865.....	$31,076,902
Internal revenue from January 31 to February 28, 1865.....	9,325,636
Customs for January, 1865.....	5,460,576
Customs from January 31 to February 28, 1865.....	1,587,488

The unpaid requisitions continue to increase, notwithstanding the large receipts from internal revenue and the seven-thirty loan.

The Secretary of the Treasury has authorized the payment of the March coupons on the ten-forty bonds on presentation, and those wishing to avail themselves of the privilege can do so either at the Sub-Treasuries or at Washington. The total interest on the semi-annual coupons will amount to about $4,000,000, the principal being not far from $160,000,000.

The following are the prices of the leading Government stocks. There has

been an increased demand on European account. The continued victories, and especially the news of the taking of Fort Fisher, made United States securities very active in London, at a decided rise, so that, although the price of gold has fallen, these stock reach a higher figure.

PRICES UNITED STATES PAPER.

	6's, 1881. Reg.	6's, 1881. Coup.	5's, 1874.	6 per ct. 5-20's.	5 per ct. 10-40's.	6 per ct. 1 year certif.	Gold. price.
Dec 31,...	111¼	110¼	100	108¼	101¼	96¼	229½ a 229¾
Jan. 7,....	111¼	111¼	100	109	102	96¼	227 a 227½
" 14,....	112¼	112⅛	102	110	102⅜	98	217¾ a 221
" 21,....	111	110	99	108⅜	101¼	97¼	197½ a 206
" 28,...	110¼	109¼	98¾	108¾	100¾	98	113⅜ a 220
Feb. 4,....	109¾	109¼	99¼	109¼	101¼	97⅞	209 a 214½
" 11,....	110¾	110⅜	102	109⅞	102¾	98¼	204¼ a 209
" 18,....	111¼	111¼	103	111⅜	102⅜	98¼	204 a 205⅜
" 25,....	111¼	111	102	111¼	102¼	98⅜	198½ a 199½

The price of the 5-20's abroad was from 50 to 50½, February 10. The price of gold has gradually declined through the month, as the successes at Fort Fisher, Charleston, Columbia, Wilmington, &c., have been announced. The specie movement through the month is as follows :—

SPECIE AND PRICE OF GOLD.

	1864. Received.	1864. Exported.	1865. Received.	1865. Exported.	1865. Gold in Bank.	Prem. on gold.
Jan. 7,...	$254,230	$590,262	$1,148,850	$594,353	$20,152,892	127 a 127½
" 14,...	.....	1,216,204	383.519	1,046,251	21,357,608	117¾ a 121
" 21,...	279,801	1,985,057	50,268	329,833	20,211,569	97½ a 106
" 28,...	365,608	1,000,000	511,019	997,136	18,896,085	113⅜ a 120
Feb. 4,...	324,864	668,747	.....	478,777	19,682,808	109 a 114½
" 11,...	.....	662,616	.....	370,753	20,297,346	104¾ a 109
" 18,...	368,198	1,219,808	264,322	100.882	20,682,319	104 a 105¾
" 25,...	.....	825,632	.....	148,586	20,092,3 8	198½ a 199½

The shipments of specie from California, since the first of January, have been as follows :—

January 4 ....Per Constitution—To England.....		$922,279 81		
	To New York		511,088 55	
	To Acapulco.....		8,000 00	
	To Panama.....		15,000 00	
				$1,456,359 36
" 10 ...Per Light of the Age, to Hongkong.....				100,386 93
" 10....Per Bavaria, to Hongkong.....				20,870 00
" 13....Per Sacramento—To New York.....		$610,226 47		
	To England.....		338,204 80	
	To Panama.....		65,000 00	
	To Acapulco.....		34,500 00	
				1,077,931 27
" 14....Per Passing Cloud, to Hongkong.....				37,639 77
Total since January 1.....				$2,693,187 33
Corresponding period 1864.....				3,287,316 78
Decrease this year				$594,129 45

The following is the amount of the imports and exports of precious metals from and to France during the whole year of 1864, compared with the two preceding years :

GOLD IMPORTED FROM FRANCE.

	1864. Francs.	1863. Francs.	1862. Francs.
Bullion	110,093,766	83,266,419	119,011,128
Coin	353,902,257	286,467,015	282,815,419
	463,996,023	369,733,434	401,826,547

GOLD EXPORTED FROM FRANCE.

Bullion	32,810,523	86,117,505	41,457,399
Coin	310,926,420	271,638,705	195,331,509
	343,736,943	357,756,210	236,788,908

SILVER IMPORTED FROM FRANCE.

Bullion	63,414,422	27,564,966	27,496,401
Coin	204,314,972	133,435,279	103,939,191
	267,729,394	161,000,245	131,435,592

SILVER EXPORTED FROM FRANCE.

Bullion	134,106,666	126,123,911	116,051,205
Coin	175,739,091	103,216,950	101,564,700
	309,845,757	229,340,861	217,615,905

The countries from which the imports came, and to which the exports went in 1864, were the following:

GOLD.

	Imports.		Exports.	
	Bullion. francs.	Coin. francs.	Bullion. francs.	Coin francs.
England	103,730,838	187,567,460	66,480	17,948,894
Belgium	267,570	8,764,773	67,814	5,544,252
Zollverein	191,790	67,832,400	15,969	3,188,867
Kingdom of Italy	4,023,690	77,782,965	3,160,200	132,033,300
Spain	.....	.....	29,067,990	38,866,563
Switzerland	.....	.....	.....	21,853,278
Roman States	.....	.....	.....	3,420,000
Turkey	.....	.....	.....	961,200
Egypt	.....	.....	.....	59,468,100
United States	342,000	483,300	.....	46,800
Other countries	1,537,878	61,471,359	432,570	27,626,166
	110,093,766	353,902,257	32,810,523	310,926,420

SILVER.

	Imports.		Exports.	
	Bullion. francs.	Coin. francs.	Bullion. francs.	Coin. francs.
England	24,939,234	14,520,356	6,964,702	19,240,828
Belgium	5,320,016	15 378,840	10,221,752	19,254,668
Russia	.....	.....	.....	500,000
Zollverein	432,367	35,739,318	208,327	6,849,100
Spain	.....	35,596,765	940	1,122,015
Kingdom of Italy	26,443,864	39,426,244	1,883,600	8,698,400
Switzerland	.....	.....	.....	552,421
Turkey	.....	.....	.....	72,200
Egypt	.....	.....	.....	4,873,400
British India	.....	.....	64,975,800	67,802,000
China	.....	.....	6,396,400	6,709,000
United States	.....	291,600	.....	.....
Other countries	6,278,941	13,861,819	43,460,145	40,565,059
	63,414,422	204,314,972	134,106,666	175,739,091

Turning the preceding totals for 1864 into American money, we find that:

The imports of gold were	$92,249,200
The exports of gold were	68,747,385
Excess of imports	$23,501,815
The exports of silver were	$61,969,150
The imports of silver were	53,545,875
Excess of exports	$8,423,275

Deducting the excess of silver exports from the excess of gold imports, it appears that during the year 1864, the stock of precious metals increased by $15,078,530. As to the amount sent to the East, it was $11,893,620 in gold, and $974,680 in silver to Egypt; $26,555,560 in silver to British India; and $2,621,080 in silver to China.

The rates of exchange since the first of January have been as follows:

RATES OF EXCHANGE IN GOLD.

	London, 60 days.	Paris, 60 days.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Jan. 7	108¼ a 109⅛	5.18⅞ a 5.15	41⅛ a 41⅜	41⅛ a 41⅛	36⅜ a 36⅞	72 a 72⅜
" 14	108¼ a 109⅜	5.18⅜ a 5.13⅜	41⅛ a 41⅜	41 a 51⅛	36⅛ a 36⅜	72⅛ a 72⅜
" 21	108⅛ a 109⅜	5.18⅜ a 5.13⅜	41⅛ a 41⅜	41⅛ a 41⅛	36⅜ a 36⅜	73 a 72⅜
" 28	108⅛ a 109⅜	5.20 a 5.13⅜	41 a 41⅜	41 a 41⅛	36⅜ a 36⅜	72 a 72⅛
Feb. 4	108 a 109⅜	5.21⅛ a 5.15	41 a 41⅜	41 a 41⅜	36 a 36⅜	71⅜ a 72
" 11	108⅛ a 109	5.23⅜ a 5.15	40⅞ a 41⅛	40⅞ a 41⅛	35⅞ a 36⅛	71⅜ a 72⅛
" 18	107 a 108⅜	5.27⅛ a 5.20	40⅛ a 41⅜	40⅛ a 41	35⅜ a 36⅜	71⅛ a 72
" 25	108 a 108⅛	5.27⅛ a 5.18⅜	40⅛ a 40⅛	40⅛ a 41	35⅜ a 36⅜	71⅛ a 72

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

New York City Banks and the National System—Defects of the National Law—Bank Notes a Tender for Bank Debts—This is a defect, and is interfering with the re-organization of the New York City Banks—Are Certified Checks Circulation?—United States Securities Exempt from Taxation; Decision of U. S. Court—How to avoid this decision—Mr. M'Culloch Secretary of the Treasury and Mr. Clark Comptroller of Currency—City Banks Returns—Returns of Bank of England and France.

So far as the New York City Banks are concerned, the movement, looking to a change from the State to the National system, has made no progress during the month. The more the law is examined the more defective it appears, and, therefore, prudence leads these old institutions to hesitate before entering into a common fellowship with the new organizations. Many of these defects grow out of, and are inseparably connected with, our paper money system; but others are simply mistakes in the law itself. We have frequently referred to the peculiar features of this Bank circulation. The one which requires every National Bank, no matter where it is located, or what its condition, to receive for its debts the bills of any other National Bank, is certainly an error, and likely to interfere with the organization of first-class institutions on that basis. How can a bank be safely managed and yet be compelled to receive notes which may be at all shades of discount in payment of its debts? There are now, for instance, eight hundred and forty National Banks authorized, having a capital of $189,449,736, and $93,666,380 of circulation. This circulation is increasing nearly a million

of dollars a day. Suppose it should continue to increase, and legal tenders diminish, until the latter are worth a premium in the open market—a circumstance which is very likely to happen,—it would follow, as a matter of course, that every man owing any debt to a National Bank, would pay it in National Bank notes. When this occurs, in all probability there would be a want of "uniformity" in the value of such notes, for those of the most distant or inaccessible banks will be least desirable and most depreciated. In that case, of course, the notes that were the most depreciated would be selected to pay with, and the bank must take any such note that may be offered. What shall the bank do with them? Sell them? That will only add to the depreciation and increase the trouble. The process of sending for redemption will be troublesome whenever there is such a crisis. Any National Bank therefore, no matter how well it is managed, may be over-loaded, by this operation, with the bills of far distant banks, which it must receive but cannot disburse!

We refer to this defect now, because it is one that is at present preventing the reorganization of some of our soundest and safest State institutions under the National law. In the meantime, Government appears to be attempting to coerce all old banks into the new system. There is now a bill before Congress which has, we believe, passed the House, laying a tax of ten per cent on all circulation of State Banks, after January 1st, 1866. This provision, if it becomes a law, is intended, of course, and will operate so as to force the withdrawal of all bank circulation except the notes of the new National institutions. This will decidedly affect the profits of country banks, but those in this city can afford to be indifferent to the mere question of note circulation. The issues of few city banks have paid expenses, and none have supplied a profit at all equal to the care and trouble of preparing and protecting them. New York being the financial centre of the country, all currency at par here is at once picked up the moment it is set afloat outside, and returned to its source. If the city banks were forbidden to issue any more bank notes, they would not grumble seriously, and could readily make arrangements to do without.

But a more serious matter is the attempt to class certified checks under the head of circulation, and tax them accordingly, even where they are returned through the Clearing-House the next morning. Commissioner LEWIS has decided that the law is to be interpreted in this manner. He claims that the act is so specific he has no option. There is certainly reasonable ground for his decision, and yet we do not believe it is right.

The act reads as follows:

"There shall be levied, collected and paid a duty of one-twelfth of one per centum each month upon the average amount of circulation issued by any bank, association, corporation, company or person, including as circulation all *certified checks* and all notes and other obligations, *calculated or intended to circulate or to be used as money.*"

These certified checks are not "intended to circulate or to be used as money." They are simply a convenience to the banks and their customers, and are exchanged at the Clearing-House the next morning. Checks that are not certified might with equal reason be considered as intended to be used as money, and so taxed under the words "other obligations" "issued by" a "person." Besides,

such a decision should not be made unless the law is so clear as to absolutely compel it, for, if persisted in, it will require an entire change in the methods of business. The first effect, as the *Journal of Commerce* well says, will be to cut off from young men without capital the chance of succeeding in competition with wealthy firms in any business requiring large payments. The actual possession of wealth is not needed for much of the business of the city, where immense sums are handled without any serious risk. All that is required is confidence. This may rest on integrity and capacity, which is a much better foundation than the mere possession of money. That form of business which allows the virtuous and enterprising to build their fortunes on moral worth instead of a moneyed capital, is a great conservator of public morals, and a direct stimulus to the acquisition of an honorable character. A young man who has this invaluable possession, can now enter any avenue of success which is open to human enterprise. He may deal in millions daily, his disbursements preceding his receipts, but both meeting alike in the daily settlement. He must often pay for stocks, bonds and other property before receiving a transfer to himself. As soon as he obtains the transfer he delivers these to his employers and obtains the means of squaring his own account. The certificate of the bank is the bridge over a gulf which would otherwise be impassable to him. He obtains this certificate because of the confidence the bank has in his integrity and capacity. The man of wealth, if the business were confined to him, would not pay the money; he would give a check, without having it certified, which would be accepted by the seller because of his known capital or possessions. Both alike trade on confidence; in the former case it is based on character, in the latter on the mere possession of property. But it may be said that, after years of trial, the character of the poor man might become as widely known as the wealth of the capitalist, and thus both have the same facilities. This might be true to some extent, but the years of waiting give the other all the advantage. Besides, the very effort to acquire a reputation would be almost precluded by the obstacles thus placed at the outset of the poor man's career. The truth is, that much of the financial legislation of the last two years, whether so intended or not, is, according to our opinion, adapted to make a rich man richer, and a poor man poorer; to divide the population into permanent classes after the manner of the old world, and to lessen the chances for the enterprising in the lower relations to struggle upward or to make any improvement in his condition. This may be sustained where the people are governed, but it can hardly be successful where they are left to govern; and there will be a terrible reaction to the other extreme, if it is persisted in until the nature of the struggle is thoroughly understood by those whose interests are thus wantonly disregarded.

The provision of the law, exempting United State securities from State taxation, belongs to the class of legislation tending to make rich men richer. It will be remembered that the New York State Legislature, at its session in 1863 (chap. 240, laws of 1863), passed an act for the purpose of avoiding this exemption, so far as banks were concerned, by taxing their *capital* no matter how it might be invested. The act was in these words:

Section 1.—All banks, banking associations, and other moneyed corporations and

associations, shall be liable to taxation on a valuation equal to the amount of their capital stock paid in, or secured to be paid in, and their surplus earnings (less ten per cent of such surplus,) in the manner now provided by law, deducting the value of the real estate held by any such corporation or association, and taxable as real estate.

Under this law the *capital* of the Banks was taxed as heretofore.

This tax was, however, resisted so far as their capital was invested in United States securities, and an action was brought to test the question, which has now been decided by the United States Court in favor of the Banks, and these monied institutions thus become free from State and city taxation to the amount of several millions of dollars. This decision is an important one, and shows how unwise it is in Congress to exempt the national securities. We believe that it is best both for the State and the holders of the bonds that the only restriction should be upon discriminating taxes. Congress might enact that no higher taxes should be exacted of United States securities than of capital invested in other forms. This would be ample protection for the general government. But to allow all that portion of the capital owned in the State and protected by State laws, to escape any contribution to the State expenses, because it is invested in national securities, seems like injustice to other property holders, and will tend to create a feeling against the securities thus exempted among those who are unable, or do not for other reasons, hold them.

The State authorities now must be very ingenious to adopt any system by which this tax may be imposed. We can think of no way of avoiding this provision except by requiring an annual *license fee* of all bank corporations, which should be proportioned to their capital. This system could be made to furnish the same amount of funds as the other tax.

It is now decided that Mr. McCULLOCH, the present Bank Comptroller, will succeed Mr. FESSENDEN in the Office of Secretary of the Treasury. He was born, it is stated, in Kennebunk, Maine. Previous to being called to the Comptrollership of the National Currency Bureau, he was President of the State Bank of Indiana, which is the largest monied institution in the West, having a capital of nearly three and a-half millions of dollars, and nine branches located in different parts of the State.

Mr. FREEMAN CLARKE, who will probably succeed Mr. McCULLOCH as Comptroller of the Currency, is a practical financier. He represents the Twenty-eighth district of this State in the present Congress, which is now near its close. He is owner and President of the Monroe County Bank at Rochester, which has a capital of $100,000, and a circulation of $85,800. In the war now waging between the old and the new banking system, it will probably be somewhat difficult for Mr. CLARKE to make up his mind which side to take, as long as his own Bank continues to operate under the State laws.

The city Bank returns, the past month, of Philadelphia and Boston show the effects of the change that is being made from the State to national system. In New York the returns are made as usual, and very few of the Banks have actual reorganized under the United States law. In Philadelphia all the Banks are included in the weekly statement, but the growth of the national system is seen in the decline of specie and the increase of circulation:

NEW YORK BANKS.

NEW YORK BANKS. (*Capital, Jan.*, 1864, $69,494,577; *Jan.*, 1865, $69,658,787.)

Date.	Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
Dec. 24,..	$203,512,093	$20,600,441	$3,383,346	$153,805,909	$593,336,137
" 31,..	199,444,969	19,662,211	3,283,832	147,442,071	471,039,253
Jan. 7,..	195,044,687	20,152,892	3,183,526	147,821,891	535,055,671
" 14,..	189,686,750	21,357,608	3,074,029	148,931,299	538,780,682
" 21,..	187,060,586	20,211,569	2,979,851	146,068,355	611,194,907
" 28,..	169,502,630	18,174,316	2,906,194	143,842,230	656,828,378
Feb. 4,..	185,639,790	19,682,308	2,868,646	152,703,316	663,814,434
" 11,..	185,515,904	20,297,346	2,821,996	156,711,166	584,179,409
" 18,..	186,365,126	20,682,319	2,855,982	156,150,634	518,305,222
" 25,..	183,534,735	20,092,378	2,739,383	153,948,481	481,028,121

PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan.*, 1863, $11,740,080; 1865, $13,315,720.)

Date. 1865.	Loans.	Specie.	Circulation.	Deposits.	Legal tenders.
Jan. 2,...	$48,059,403	$1,803,583	$2,793,463	$39,845,963	$14,524,175
" 9,...	49,250,629	1,781,108	2,978,035	41,001,803	15,297,223
" 16,...	49,833,799	1,750,669	3,228,785	43,121,208	17,003,905
" 23,...	49,755,716	1,792,891	3,606,051	40,186,513	15,939,598
" 30,...	50,056,584	1,773,266	4,010,192	39,822,860	15,572,893
Feb. 6,...	50,269,473	1,702,776	4,393,173	38,496,337	14,000,852
" 13,...	49,511,683	1,629,957	4,660,697	37,340,531	14,295,547
" 20,...	48,639,386	1,569,223	4,866,771	37,141,900	13,922,954
" 27,...	48,992,272	1,498,644	5,077,436	39,011,100	15,398,502

The following are the returns of the Banks of Boston, except those which have reorganized under the national law. They make no returns. Their circulation is said, however, to be included in these figures:

BOSTON BANKS.

BOSTON BANKS. (*Capital, Jan.*, 1863, $38,231,700; *Jan.*, 1865, $22,350,000.)

Date. 1865.	Loans.	Specie.	Circulation.	Deposits.
January 2.....	$46,312,701	$3,434,323	$7,766,888	$23,086,775
" 9.....	33,707,472	2,903,469	7,803,528	16,772,600
" 16.....	33,444,460	2,862,939	7,529,229	15,926,720
" 23.....	33,160,490	2,797,093	7,126,253	16,058,310
" 30.....	33,025,868	2,659,568	6,792,950	16,343,192
February 6.....	25,609,695	2,245,510	6,581,880	12,641,033
" 13.....	23,609,664	2,087,995	6,345,912	11,031,733
" 20.....	23,533,879	2,039,669	6,094,370	10,621,322
" 27.....	22,872,774	1,932,769	5,912,800	9,789,000

For comparison we give the returns of the Boston Banks for the same period during 1864:

Date. 1864.	Loans.	Specie.	Circulation.	Deposits.
January 4.....	$76,805,343	$7,503,889	$9,625,043	$32,525,679
" 11.....	77,747,734	7,531,195	10,185,615	31,524,185
" 18.....	75,877,427	7,464,511	9,963,389	31,151,240
" 25.....	74,146,000	7,440,000	9,729,000	30,893,000
February 1.....	73,959,175	7,385,413	9,660,163	30,655,782
" 8.....	71,765,122	7,265,104	9,579,020	30,030,292
" 15.....	71,088,849	7,224,924	9,741,471	30,412,647
" 22.....	71,074,000	7,215,500	9,411,000	31,831,000
" 29.....	72,189,003	7,179,310	9,371,440	33,155,888

In January, 1864, the capital of these Banks was eight millions, and in January,

1865, it was only twenty-two millions, and on the 28th of February it was reduced to eleven million six hundred thousand dollars, the difference showing the extent of the change to National Banks that has been made.

Below are the quarterly returns of the Banks of the State of New York:

RETURNS OF THE BANKS OF NEW YORK STATE.

Resources.

	Dec. 26, 1863.	March 12, 1864.	Dec. 31, 1864.
Loans and discounts	$193,781,315	$200,899,286	$196,649,246
Overdrafts	642,708	536,926	866,154
Due from banks	21,718,285	23,753,048	22,916,061
Due from directors	7,053,713	.....	9,226,712
Due from brokers	10,976,763	.....	11,042,835
Real estate	8,627,977	8,521,359	8,142,807
Specie	26,685,669	22,146,592	20,239,286
Cash items	59,645,949	105,350,120	92,514,882
Stocks, promissory and U. S. 7 3-10 notes and indebtedness certificates	102,346,931	117,159,241	120,459,776
Bonds and mortgages	5,473,517	4,915,315	4,073,797
Bills of solvent banks and United States demand notes	25,239,319	33,159,241	20,261,810
Bills of suspended banks	302	245	2,643
Loss and expense account	1,480,437	785,854	2,260,786
Add for cents	903	910	877
Total	$445,638,312	$516,727,137	$488,388,125

Liabilities.

Capital	$109,535,785	$109,370,105	$106,690,761
Circulation	36,934,255	30,974,850	31,180,546
Profits	21,269,188	18,724,700	28,345,347
Due banks	43,124,671	55,613,860	45,205,682
Due individuals and corporations other than banks and depositors	3,307,015	5,604,308	2,107,764
Due Treasurer State of New York	5,388,155	3,813,957	3,144,210
Due depositors on demand	222,645,314	291,662,726	269,042,097
Due oth's not included in above heads	3,433,424	2,962,113	2,671,197
Add for cents	510	518	521
Total	$445,638,312	$516,727,137	$488,388,125

The following is a statement of the leading features of the Banks of the State of New York for a number of quarters, showing the movements of the Banks since the beginning of the war:

	Circulation.	Deposits.	Specie.	Discounts.
September, 1861	$23,015,748	$111,895,016	$38,089,727	$176,055,848
March, 1862	28,330,973	121,988,259	34,301,092	162,017,987
June, 1862	33,727,382	150,438,244	32,882,693	184,501,261
September, 1862	37,557,373	186,390,795	39,283,981	165,584,063
December, 1862	39,182,819	191,537,897	37,803,047	178,922,536
March, 1863	35,506,606	221,544,347	36,802,438	183,864,089
June, 1863	32,261,462	218,717,725	40,250,309	188,617,438
September, 1863	33,423,230	233,611,282	31,071,759	203,462,460
December, 1863	36,934,255	222,645,314	26,685,669	193,781,315
March 12, 1864	30,974,850	291,662,726	22,146,592	200,399,286
December 31, 1864	31,180,546	269,042,097	20,239,286	196,649,246

The last quarterly statement of the Banks of Ohio compare with the previous returns as follows:

	Aug. 1, 1861.	Aug. 1, 1862.	Aug. 1, 1863.	Nov. 1, 1864.	Feb. 1, 1865.
Capital stock .	$5,589,750	$5,602,000	$5,177,500	$4,408,820	$3,808,650
Specie,.....	2,199,825	3,384,932	2,390,933	1,180,802	582,870
Eastern depos.	2,113,219	3,358,592	2,149,806	1,485,831	1,375,522
Loans.....	10,358,951	11,087,323	10,435,932	9,426,994	8,294,312
Circulation....	8,800,081	9,978,832	6,915,475	5,116,471	3,762,918
Deposits	8,920,932	8,598,426	11,283,209	11,115,813	8,754,887

To a large extent the reduction in the figures in the last report is attributable to the transfer of a number of State Banks to the national system.

The current of money which the raising of the rate of interest by the Bank of England and Bank of France caused to set towards those institutions, has continued to fill up the money reservoirs, and been followed by further reduction in the Bank rates. The latest returns of the Bank of France, however, are less favorable, and as the leading cause that underlies the money difficulties of the Paris and London markets is still at work, we must expect soon to see a return to higher rates. The following are the returns of the Bank of England :

THE BANK OF ENGLAND RETURNS.

Date. 1865.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 7,...	20,118,116	6,468,544	12,666,764	28,726,674	13,840,691	7 per ct.
" 14,...	19,669,832	7,161,719	12,267,474	28,301,608	14,122,711	6 "
" 21,...	19,669,007	7,694,616	12,927,807	29,326,027	14,807,760	6 "
" 28,...	19,810,455	8,601,125	13,040,643	30,708,083	14,100,974	6 "
Jan. 4,...	21,007,215	8,500,269	13,874,977	32,832,904	13,938,592	6 "
" 11,...	21,012,778	4,445,535	16,174,166	30,957,880	14,097,390	5½ "
" 18,...	21,228,548	4,186,614	14,658,015	29,292,273	14,168,227	5½ "
" 25,...	20,614,794	4,836,799	14,553,933	29,178,458	14,317,215	5 "
Feb. 1,...	20,998,478	5,541,452	14,447,994	30,040,983	14,461,224	5 "
" 8,...	20,743,805	6,252,892	13,814,063	29,908,102	14,511,611	5 "

Below we give a summary of the new companies formed during 1864 in Great Britain :

BANKS, INSURANCE, AND MISCELLANEOUS COMPANIES FORMED IN GREAT BRITAIN DURING 1864.

	No. of co's.	Capital created.	Capital offered for subscription.	Deposits.
Banks.....	19	£25,600,000	£16,800,000	£1,581,000
Finance and discount.....	26	38,150,000	23,550,000	2,213,750
Manufacturing and trading.....	78	38,195,000	29,210,000	3,608,500
Railways.....	10	12,510,000	6,800,000	848,000
Insurance	11	9,200,000	4,925,000	585,000
Shipping.....	21	14,800,000	11,250,000	997,500
Hotel.....	22	1,990,000	1,950,000	397,700
Mining.....	41	4,189,500	3,268,000	775,250
Gas.....	6	1,280,000	880,000	179,000
Miscellaneous.....	48	9,973,000	8,333,000	1,356,000
	282	£155,887,500	£106,523,000	£12,545,800
In addition to the above, new capital has been created in the year 1864, by companies in existence prior to 1864, amounting to.....				£35,315,000
Of which there was called up.....			£7,844,000	
And premiums paid on allotment by the shareholders..			3,839,833	
Total paid up.....			£11,683,833	
Putting these figures together—The capital created is				191,202,500
Offered for subscription.....				145,677,833
Paid up.....				24,229,633

The following are the returns of the Bank of France:

BANK OF FRANCE.

		Loans.	Specie.	Circulation.	Deposits.	Interest.
December	8	fr.566,921,053	fr.355,640,597	fr.722,291,475	fr.178,968,028	5
"	15	586,521,733	351,562,024	739,383,125	161,270,492	5
"	22	561,603,376	364,008,378	721,487,475	153,193,515	4½
"	29	597,157,830	359,969,767	726,212,275	171,321,867	.
January	5	690,129,259	330,071,918	790,526,625	190,488,131	4½
"	12	677,690,909	314,771,593	806,325,675	153,188,384	4½
"	19	667,121,414	318,170,064	817,443,275	142,120,960	4½
"	26	642,779,237	322,119,477	808,283,925	139,123,008	4½
February	2	651,375,290	318,454,492	812,425,525	143,430,627	4½
"	9	636,303,905	339,240,543	805,966,575	153,039,752	4

CALIFORNIA.—HER PRODUCTIONS, TRADE, ETC., FOR 1864.*

The past year in California has been somewhat remarkable in its character, a universal drought having prevailed of so long continuance as to transform the State from the position of a large wheat-growing and grain-exporting country, to our exporting, to some extent, wheat and grain from Oregon, Chili, and elsewhere; prices that for a series of years ruled comparatively low, and consequently invited large buyers from England, China, and Australia, having so changed during the last six months as to induce shipments for California. Two entire cargoes of flour, one of wheat and two of barley, were received towards the close of the year from Chili, and six more cargoes were then known to be on the way. During the fall and winter free supplies of flour, wheat, and barley were also received from Oregon, and oats and potatoes from Humbolt, large quantities of corn and barley from the southern coast, San Pedro, etc., and corn meal, wheat flour, etc., from New York.

Prices now, however, do not rule as high, and the heavy rains of November and December have made the prospects for the coming crop very flattering. The ground is well saturated by the abundant rains, and farmers are busy in all directions determined to put into the ground the greatest possible amount of seed.

EXPORTS OF MERCHANDISE.

This department of trade during the past year has greatly exceeded expectations. Early in the season the most gloomy forebodings were indulged in consequence of the severe drought we have referred to. The deficient product of breadstuffs soon elevated prices beyond the range of export limits, and the withdrawal of this leading item, it was believed would render necessary a large increase of treasure shipments to supply the necessary remittances. While, however, it is true that more than the usual amount of treasure has been exported, it is also true that the clearances of merchandise and other products of this coast,

* In the San Francisco *Mercantile Gazette and Prices Current*, of January 12, is a detailed statement and review of the trade and productions of California the past year, to which we are in great indebted for the facts and figures contained in this article.

have been considerably in excess of 1863. The falling off in exports of grain and flour has been $411,000, while the aggregate increase upon all has been $394,353. This fact furnishes the gratifying evidence that the resources of that coast have now become so varied, and in process of growth and development, so rapid, that serious disaster occurring to so prominent an interest even as agriculture, although it may check, cannot stop the visible progress and expansion of the commerce of the State.

The following shows the destination and value of exports during the past three years:

EXPORTS OF MERCHANDISE.

To	1862.	1863.	1864.
New York	$2,245,633	$2,787,435	$3,399,143
Boston	1,122,489	1,505,690	1,532,021
New Bedford	.....	.....	235,000
Great Britain	1,355,217	1,697,822	955,858
Australia	332,336	487,685	579,746
British Columbia	2,190,903	1,746,801	1,510,639
Mexico	1,014,639	1,819,652	2,215,614
Peru	271,251	216,206	247,128
China	722,229	1,246,254	1,374,106
Hawaiian Islands	293,379	357,369	659,485
Japan	21,598	43,901	49,337
Other countries	920,630	920,584	513,678
	$10,565,294	$13,877,899	$13,271,752

The great deficiency in breadstuffs has been made up by the increased clearances chiefly of copper and silver ores, quicksilver, wool, etc.

It will appear from the foregoing that the exports to New York have largely increased. This increase consists in the main of the more valuable articles of domestic products—wool, hides, and copper ore—which are rapidly growing in importance. Mexico shows an increase, taking largely of goods of almost every description, particularly machinery and its requisites for the working of the mines in that country, and provisions for the laborers engaged. With the Hawaiian Islands the exports have very nearly doubled those of last year. The two lines of vessels engaged in that trade meet with quick despatch and full employment. China also shows a marked degree of improvement. The merchandise exports to that country consists principally of flour and quicksilver. The treasure list is $3,600,000, greater this year than last. Australia shows an increase consisting principally of breadstuffs shipped during the early part of the season. With Victoria, V. I., trade has fallen off considerably, owing to the fact that this is a free port, and likewise receives a large quantity of goods from the mother country direct.

The aggregate value of exports of all descriptions from the port of San Francisco for the three past years was as follows:

	1862.	1863.	1864.
Treasure	$42,561,761	$46,071,920	$55,707,201
Merchandise	10,565,294	12,877,890	13,271,752
Total	$53,127,055	$58,949,319	$68,978,953

It will be seen from the foregoing figures that the combined exports of treasure

and merchandise in 1864 exceeded those of 1863 by more than $10,000,000. From this excess, however, is to be deducted $5,000,000, sent away by the Sub-Treasurer in San Francisco for Government purposes, the same being a portion of the amount realized by the collector of this port from duties on imports.

We give below in detail the exports of merchandise the last three years to China and the Sandwich Islands:

EXPORTS FROM CALIFORNIA TO CHINA AND SANDWICH ISLANDS.

Articles.	To China. 1862.	1863.	1864.	To Sandwich Islands. 1862.	1863.	1864.
Abalones.....bags	1,422	777	3,196	....	....	....
Barley.....bags	500	100	100	1,097	123	210
Beans.....bags	32	754	1,393	....	140	11
Bran.....bags	....	....	....	361	44	....
Bones.....pkgs.	2,681	....	3,871	....	....	....
Bones.....No.	....	333	....	....	....	....
Bread.....bbls.	320	3,603	....	5	4	22
Bread.....pkgs.	116	....	....	....	....	....
Bread.....cs.	1,204	3,791	888	573	926	823
Brooms.....doz.	....	177	32	....	....	....
Fish.....tcs.	....	....	....	536	45	100
" .....bbls.	....	....	....	...	726	561
" .....cs.	....	....	....	....	6	83
" dried,.....pkgs.	176	....	827	....	....	....
" salmon,.....bbls.	80	116	281	....	....	....
Flour.....bbls.	21,451	50,955	35,946	1,932	4,536	3,591
Hay.....bales	188	779	350	40	30	12
Lime.....bbls.	....	....	....	357	625	1,955
Lumber.....feet	2,659,190	2,709,733	3,292,595	388,301	772,794	1,218,158
Lumber.....pcs.	7,417	....	2,937	138	....	293
Shingles.....M.	....	....	....	2,210	2,028	3,365
Leather.....pkgs.	....	....	....	21	7	11
Oats.....bags	250	5,510	1,239	1,633	1,364	588
Potatoes.....bxs., bags	3,572	9,470	358	767	2,782	2,438
Quicksilver.....flasks	8,735	8,880	18,908	....	....	....
Wheat.....bags	37,191	186,610	62,772	1,025	....	493
Wool.....bales	80	....	....	....	....	....

IMPORTS OF MERCHANDISE.

It is impossible to give the value of the imports. As is well known the bulk of general merchandise consumed on the California coast is sent from eastern home ports. No regular entries of it are made in the Custom House, as in the case of foreign importations, and in very many instances consignees and importers studiously conceal both the nature and value of the goods consigned to them. We give, however, the following table showing the imports of leading articles:

IMPORTS FOR 1864 OF LEADING ARTICLES OF MERCHANDISE AT SAN FRANCISCO FOR THE YEAR ENDING DECEMBER 31, 1864.

Articles.	1864.	Articles.	1864.
Bags, grain.....bales	540	Sash.....bdls	5,585
gunny.....bdls	5,304	Lumber, eastern & for'n.	41,627
gunny.....bdls	1,007	....bdls and pcs	.....
Barley, Chili.....sks	10,469	.....tons	429
Eastern.....kegs	100	.....feet	585,915
Boots and shoes.....pkgs	39,815	domestic....feet	112,447,120
Building material—		Candles.....bxs	90,632
Doors.....No	56,418	Candles.....half boxes	79,786
Blinds.....bdls	1,616	Cement.....bbls	8,806

Articles.	1864.
Cigars.....cs	2,374
Coal—	
Anthracite .....tons	41,678
Cumberland	982
Cumberland.....casks	8,795
English.....tons	18,331
Chili.....	2,324
Sydney.	21,162
Vancouver Island..	12 745
Coast	11,485
Coffee—	
Rio.....lb	4,636,769
Costa Rica.....	1,611 126
Java.....	565.652
Manila.....	2,797,908
Sandwich Island.....	14,721
Cordage ....bales	1,890
.....coils	12,602
.....pks	1,944
Corn..... ...bags	755
Cornmeal, eastern.....pun	155
.....hhds	979
....bbls	2,975
.....pkgs	60
Crockery & glassware..pkgs	25,284
Drugs .....pkgs	61,727
Dry goods and clothing—	
.....bxs & cs	24,897
....bales & pkgs	25,444
Duck .....bales	470
Duck .....bolts	50
Eggs.....boxes	1,145
Eggs.....hf bbls	20
Engines, steam.....No	30
Fire bricks	55,900
.....pkgs	141
Fire crackers.....bxs	11,915
Fish—	
Cod.....drums	1,174
.....bxs	144
.....tons	50
Mackerel, eastern....hf bbls	3,278
.....kits	17,877
Salmon .....bbls	339
Tongues and sounds..kits	403
Flour, eastern .....bbls	175
Chili.....hf sks	18,850
Chili.....qr sks	28,625
Fruits, sauces, etc.—	
Apples, dried.....bbls	7,983
Peaches, dried	21
.....bxs and cs	150
Nuts .....sks and bbls	249
.....bales and bags	7,418
Raisins.....bxs	44,173
Other kinds.....hhds	42
.cks and bbls	1,700
.....kegs	5,527
....bxs and cs	122,549
..... pkgs	1,242
Furniture.....	33,442

Articles.	1864.
Hardware.....cks and bbls	6,403
.....kegs	7,559
.....bxs & cs	40,439
.... pkgs and pcs	86,740
Hemp .....bales	5,757
Hides .....No	34,249
Hops.....bales	588
.....cs	15
Ice.....tons	4,511
Malt liquors—	
English, bulk .....hhds	1,693
.....bbls	517
.....tcs	29
bottled.....cks	11,058
.....bbls	6,758
..... .tcs	20
.....cs	2,219
Matting.....rolls and bales	7,468
Matches .....cs	2,025
Metals—	
Iron, pig.....tons	10,365
bar.....bars	515,600
bar.....bdls	85,131
sheet .....pcs	28,587
sheet.....cs	122
plate.....pcs	29,526
pipe.....bdls	6,816
pipe.....pcs	40,104
various .....bdls	22,148
various..... cs	672
Tin plate.....bxs	22,839
Tin, pig.....pigs	904
Lead pipe.....reels	1,354
sheet .....pkgs	256
pig ..... pigs	2,551
bar .....pkgs	420
Steel.....cs	2,303
.....bdls	3,357
.....plates and bars	936
Copper .....pkgs and pcs	594
Copper.....bxs	34
Sheathing metal .....cs	485
Zinc .....cks	364
.....pkgs	61
Molasses and syrup....bbls	10,154
5 gal kegs	6,000
Nails .....kegs	94,361
Naval stores—	
Oakum .....bales	1,670
Pitch. .....bbls	945
Rosin.....bbls	10
Tar.....	957
Oil—	
China .....bxs	9,468
Coal.... ....cks and bbls	50
.....cs	74,685
Cocoanut .....cks	172
Lard.....cs	7,446
.....bbls	383
Linseed.....	2,076
....cs	4,200

Articles.	1864.
....drums	100
Neatsfoot.....bbls	30
.....cs	53
Olive.....	12,484
Rapeseed .....tubs	38
Whale.... ....bbls	17,549
Opium, Chinese.....taels	334,900
Ores, copper .....bags	2,548
silver.....	4,634
Paints.....pkgs	11,370
Paper .....cs	1,395
.....bales	5,085
.....bdls	20,741
.....reams	1,200
Plaster.....bbls	4,526
Powder .....kegs	87,943
.....cs	9,229
Provisions—Bacon, eastern..hhds	1,241
.....tcs	624
.....bbls	55
Beef..... ..	92
Butter, eastern .....flkns	56,171
Cheese .....cks and bbls	116
.....tubs	51
....bxs and cs	1,520
Hams .....tcs	1,731
.....bbls	2,393
.....cs	18
Lard.....tcs	530
.....cs	9,644
Pork, east.....bbls	10,912
Pulu .....bales	6,646
Quicksilver flasks .....No	37,255
Rice, foreign.....pkgs	263,263
Rice, total lbs.....	12,637,824
Railroad iron.....bars	46,091
Salt, coarse .....tons	2,793
.....bags	2,368
ground.....cs	50
Sardines.....cs	4,413
Soap.....bxs	23,718
.....hf. bxs	6,566
.....qr bxs	17,166
Spices .....mats and bags	1,866
.....cs and bxs	4,963
Spirits turpentine.....cs	872
Spirits—Absinth.cks & bbls	58
....cs	4,724
Alcohol.....bbls	3,994
.....pipes	31
.....cs	5,115
Brandy.....hhds	627
.....pipes	69
.....hf pipes	243
.....qr pipes	1,098
... .bbls	3,006
.....octaves	2,700
.....kegs	460
....cs	2,838
Cider.....cks and bbls	199
.....cs	14,769

Articles.	1864.
Gin.....pun	34
..... pipes and cks	173
..... ½ pipes	179
.....kegs	110
.....cs	3,663
Liquors, (including bitters) ....pipes and cks	33
Liquors.....cs	24,384
Pure spirits.....pun	64
.....pipes	667
.....½ pipes	568
.....bbls	1,683
Rum .....pun	202
.....hhds	28
.....bbls	1,021
.....cs	....
Whisky.....pun	82
.....bbls	21,959
.....cs	2,325
Starch .....bxs	8,727
.....hf. bxs	1,790
.....qr bxs	15,607
Staves.....No	197,577
.....bdls	140,490
Stoves ....No	3,234
Stoveware ... pkgs and pcs	47,584
Sugar, foreign.....pkgs	325,560
.....total lbs	27,420,106
domestic .....hhds	145
.....tcs	27
..... bbls	19,196
.....cs	31
Teas.....pkgs	50,239
.....total lbs	1,477,710
Tobacco.....hhds	32
....bbls	218
.....bales	880
.....cs	7,547
....bxs	2,118
.....hf bxs	206
Wheat, Oregon.....bags	6,651
Chili.....	200
White lead.....cks	441
..... tcs	167
.....kegs	1,683
... .cs	852
Window glass.....bxs	8,423
Wines.....hhds	572
..... pipes	31
.....cks	7,191
...&.....bbls	595
.....hf cks	1,757
....'.....qr cks	2,534
....octaves	1,168
.... bskts	48,574
.....cs	65,217
Wood and willow ware.pkgs	15,950
.nests	3,058
..doz	3,286
Yeast powder.....bbls	4,862
.....cs	23

TONNAGE, ARRIVALS, AND DEPARTURES.

The arrivals of tonnage from all quarters, during the past four years, and in each of them, have been as follows:

Years.	Vessels.	Tons.	Years.	Vessels.	Tons.
1861.....	1,980	599,233	1863.....	1,899	634,769
1862.....	1,869	634,769	1864.....	2,096	739,190

The following figures exhibit in gross the quarters whence the above arrivals occurred, with the exception of whalers, which are included elsewhere:

From	1861.	1862.	1863.	1864.
Domestic Atlantic ports.....	121,342	119,936	114,963	120,064
Domestic Pacific ports.....	267,608	261,703	253,017	283,889
Foreign ports.....	205,672	250,211	268,909	325,057

Of the arrivals from foreign ports the larger portion is composed of steam tonnage employed in the regular lines plying up and down the Pacific coast, and is as follows:

	Steamers.	Tons.
From Panama, P. M. S. S. Co.'s.....	36	95,316
From Panama, Opposition Co.'s.....	6	10,864
From San Juan del Sur, Opposition Co.'s.....	5	8,176
From Victoria, Holladay's.....	18	23,343
From Victoria, C. S. N. Co.'s	18	21,267
From Mexico, Holladay's	9	16,536
Total	92	175,502

We now give a detailed statement of the arrivals and departures exclusive of those from domestic Pacific ports and Panama:

EXHIBIT IN DETAIL OF THE COUNTRIES WHENCE ARRIVALS HAVE OCCURRED EXCLUSIVE OF THOSE FROM DOMESTIC PACIFIC PORTS AND PANAMA.

Years.	From Dom. Atlan. ports.	From Great Britain.	From Europe.	From China.	From East Indies.	From South Amer-ica.	From Central Amer-ica.	From Mexico.	From Aus-tralia.	From Van-couver Island.	From Pacific Islands.	From whal-ing grounds.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1860....	129,950	8,765	12,625	23,577	6,453	4,888	930	10,174	8,735	42,214	6,096	3,309
1861....	121,342	22,115	8,468	28,266	2,719	11,599	1,488	15,704	12,334	27,043	8,236	4,521
1862....	119,936	18,447	14,333	37,255	4,591	5,682	8,206	18,939	12,567	53,518	9,124	2,920
1863....	114,963	22,827	10,038	32,888	8,068	4,728	8,771	20,845	13,962	46,605	9,589	4,504
1864....	120,064	36,505	12,284	23,110	8,102	11,494	7,023	24,801	18,464	54,746	17,734	10,680

EXHIBIT IN DETAIL OF THE COUNTRIES TO WHICH DEPARTURES HAVE OCCURRED EXCLUSIVE OF THOSE TO DOMESTIC PACIFIC PORTS AND PANAMA.

Years.	To Dom. Atlan. ports.	To Great Britain.	To Cape of Good Hope.	To China.	To East Indies.	To South Amer-ica.	To Central Amer-ica.	To Mexico.	To Aus-tralia.	To Van-couver Island.	To Pacific Islands.	To whal-ing grounds.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1860...	27,467	21,125	1,406	21,536	6,752	68,698	1,844	25,173	19,229	66,490	10,810	2,967
1861...	24,990	48,227	566	28,092	2,968	23,648	1.376	29,092	21,945	48.603	8,980	2,835
1862...	23,151	21,602	....	63,459	12,182	71.015	2,985	17,309	6,466	86,266	9,633	2,718
1863...	16,876	35,095	1,017	36,821	2,614	47,816	9,498	26,918	10,580	78,335	11,783	4,756
1864...	21,967	15,102	....	44,806	10,986	70,128	10,145	31,155	10,095	71,583	21,082	9,578

RECEIPTS AND EXPORTS OF TREASURE.

The extreme dryness of the past year has also affected unfavorably mining operations, and diminished the annual yield of the placers prior to the setting in of the late rains. Now, however, from every point are heard encouraging re-

ports. According to the interior press, more gold is being washed out at present than at any time before for the past eight years. The desolate and deserted condition of some of the mining regions during the summer and fall is therefore changed now to one of great activity. It is somewhat remarkable that the general yield of the mines, notwithstanding this stopping of operations in the placers, has not fallen off. This is owing to the fact that the deficiency of the placers has been made up by the mills. Below we give the usual tables showing the movements of treasure through the year.

The receipts of treasure at San Francisco from the interior have been as follows:

RECEIPTS OF TREASURE AT SAN FRANCISCO FROM THE INTERIOR.

Received from	1863. Uncoined.	Coined.	Total.
Northern mines	$33,936,771	$3,978,624	$37,915,395
Southern mines	5,610,094	1,801,837	7,411,931
Coastwise	4,366,510	603,518	4,970,028
Total	$43,913,375	$6,383,974	$50,297,349
"	41,877,957	5,593,421	47,471,378
" 1861	32,325,863	9,363,214	41,689,077
Three years	$118,117,195	$21,340,609	$139,457,804

Received from	1864. Uncoined.	Coined.	Total.
Northern mines	$34,782,312	$3,819,950	$38,602,262
Southern mines	5,347,778	1,510,375	6,858,153
Coastwise	7,639,894	413,074	8,052,968
Total	$47,769,984	$5,743,399	$53,513,383

	Uncoined.	Coined.	Total.
Total, 1861	$32,325,863	$9,363,214	$41,689,077
" 1862	41,877,957	5,593,421	47,471,378
" 1863	43,913,375	6,383,974	50,297,349
" 1864	47,769,984	5,743,399	53,513,383
Total four years	$165,887,179	$27,084,008	$192,971,187

If to the above we add the imports we have the totals for the year:

TOTAL RECEIPTS AND EXPORTS OF GOLD AND SILVER.

	1861.	1862.	1863.	1864.
Interior receipts	$41,689,077	$47,471,378	$50,297,349	$53,513,383
Imports, foreign	1,702,683	1,904,084	2,156,612	1,715,024
Total	$43,391,760	$49,375,462	$52,453,961	$55,228,407
Exports	40,676,758	42,561,761	46,071,920	55,707,201
Currency movement	$2,715,002 Inc.	$6,813,701 Inc.	$6,382,041 Dec.	$476,794

From the silver districts (included in northern mines) the total receipts for the past year were $15,900,000, against $12,433,915 in 1863. The increase over last year presents a gratifying exhibit of the growing prosperity of Nevada, but falls much short of the expectations of the sanguine. The receipts were from the following localities:

Virginia City	$10,425,350	Carson	$1,994,884
Gold Hill	1,402,396	Silver City	229,000
Aurora	960,000	Dayton	220,000
Humboldt	90,000	Reese River	500,000

The following shows the value and destination of treasure shipments from San Francisco during the past eleven years—1854 to 1864, inclusive:

SHIPMENT OF TREASURE.

Years.	Eastern ports.	England.	China.	Panama.	Other ports.	Total.
1854..	$46,568,166	$3,781,080	$965,887	$204,592	$560,908	$52,045,633
1855..	38,730,564	5,182,156	889,675	231,207	128,129	45,161,731
1856..	39,895,294	8,666,289	1,308,852	253,268	573,732	50,697,434
1857..	35,531,778	9,347,743	2,993,264	410,929	692,978	48,976,692
1858..	35,891,236	9,265,739	1,916,007	299,265	175,779	47,548,026
1859..	40,146,437	3,910,930	3,100,756	279,949	202,390	47,640,462
1860..	35,719,296	2,672,936	3,374,680	300,819	258,185	42,325,916
1861..	32,628,011	4,061,779	3,541,279	349,769	95,920	40,676,758
1862..	26,194,035	12,950,140	2,660,754	434,508	322,324	42,561,761
1863..	10,389,330	25,467,256	4,206,370	2,503,296	505,667	46,071,920
1864..	12,316,122	34,436,423	7,888,973	378,795	686,888	55,707,201
	$353,975,269	$122,742,471	$32,846,497	$5,646,397	$4,202,900	$519,413,531

We give the following detailed statement of the shipments of treasure for three years:

SHIPMENTS OF TREASURE FOR THREE YEARS.

To	1862.	1863.	1864.
New York	$26,194,034 93	$10,389,329 82	$12,316,121 99
England	12,950,189 61	28,467,256 91	34,436,422 85
China	2,660,754 29	4,206,370 79	7,888,973 24
Japan	17,916 00	34,564 19	35,681 00
Manila	35,651 64	66,200 00	150,135 73
Panama	434,507 79	2,503,296 17	378,794 54
Havana	.....	32,302 75	8,000 00
Hawaiian Islands	3,000 00	31,253 35	130,603 35
Society Islands	.....	8,000 00	16,951 63
Mexico	5,000 00	155,518 60	175,245 34
Central America	10,000 00	77,827 46	45,321 59
Australia	121 10	.....	.....
East Indies	62,414 00	.....	.....
Victoria, V.I.	188,221 71	100,000 00	125,000 00
Total	$42,561,761 07	$46,071,920 04	$55,707,201 26

QUICKSILVER.

The yield of the New Almaden mine, during the last quarter of the year 1864, was 11,290 flasks.

The total receipts for each month during the year were as follows:

	Flasks.		Flasks.
January	2,619	July	4,801
February	2,455	August	4,674
March	2,988	September	3,917
April	3,737	October	4,094
May	2,915	November	3,511
June	3,394	December	3,775
Total			42,820

We also give the exports to the different countries for 1864, and also for the five previous years, as follows:

To	1859.	1860.	1861.	1862.	1863.	1864.
New York and Boston ...	250	400	600	2,265	95	1,495
Great Britain	...	....	2 500	1,500	1,062	1,609
Mexico.....	103	3,886	12,061	14,778	11,590	7,483
China.....	1,068	2,715	13,788	8,725	8,889	18,908
Peru.....	571	750	2,804	3,439	3,876	4,800
Chili	930	1,040	2,059	1,746	500	2,674
Central America	...	....	110	40	40	80
Japan.....	...	....	50	25	..	262
Australia.....	325	100	1,850	800	300	100
Panama.....	133	130	57	424	120	45
Victoria, V. I.....	19	327	116	5	42	21
Total .....flasks	3,399	9,448	35,995	33,747	26,014	36,918

And our exports previously have been:

In 1858.....flasks	24,142	In 1855.....flasks	27,165
In 1857.....	27,262	In 1854.....	20,963
In 1856.....	23,740	In 1853.....	18,800

It will be seen that the exports this year exceed those of any of the previous years noted; with an increase of 10,904 flasks over that of 1863.

TAXES AND REVENUE OF ENGLAND AND FRANCE.

REVENUE OF GREAT BRITAIN.

We have prepared the following table, showing the revenue of the United Kingdom for the last four years:

	1861.	1862.	1863.	1864.
Customs.....	£23,774,000	£24,036,000	£23,421,000	£22,535,000
Excise.....	18,161,000	17,534,000	17,745,000	19,343,000
Stamps.....	8,488,170	8,913,915	9,252,900	9,468,000
Taxes.....	3,119,000	3,148,000	3,208,000	3,261,000
Property tax..	9,962,000	11,104,000	9,806,000	7,999,000
Post office....	3,500,000	3,600,000	3,800,000	4,060,000
Crown lands..	293,479	298,521	302,500	307,500
Miscellaneous .	1,306,202	2,361,963	2,899,120	3,151,874
Total	£68,603,851	£70,996,429	£70,439,620	£70,125,374

TAXES COLLECTED IN FRANCE.

Returns relative to the collection of direct and indirect taxes in France have been published. In 1864, the total of the former due was 520,583,000f., and the amount paid up was 507,331,000f. In 1863, the total due was 513,230,000f., of which 500,061,000f. were paid in the course of the year. A month's credit being allowed for the payment of taxes, the aforesaid 507,331,000f. exceeded by 30,130,000f. what could have legally been exacted. In 1863, the amount paid in advance was 29,600,000f. In 1864, the legal expenses for enforcing payment were at the rate of 1f. 28c. per 1,000f., and in 1863, they were 1f. 33c.

As to the indirect taxes, the amount received in 1864 was 1,176,692,000f., and it was less by 67,685,000f. than that of 1863, and 13,995,000f. less than that of 1862. On comparing 1864 and 1863 item by item, it will appear that there is a decline of 77,006,000f. in the import duties on foreign and colonial sugar,

and in the duty on the manufacture of beet root sugar. It is owing to the fact that under the last law on sugar, four months' credit are allowed for the payment of duties, and that as drawback is abolished, the amount to be paid is less than formerly. There is also a decline in the registration duties of 2,852,000f.; in the grain duties of 1,506,000f.; in the customs duties of 5,611,000f.; and of about 500,000f. in two other items. These reductions are natural, the registration and customs duties having been reduced, and the imports of grain having been less on account of the excellent harvest. The various diminutions, which amount altogether to 87,268,000f., are compensated to the extent of 19,593,000f. by an increase in the revenue from the stamp, wine, and salt duties, the sale of tobacco and gunpowder, and the post-office, etc. In definitive, therefore, the decline of 67,685.000f., which remains after deducting the increase, is more apparent than real, inasmuch as it is represented by sugar duties which have to be paid. In addition, a sum of 4,372,000f. on other duties is owing for 1864.

The following is a detail of the indirect taxes for the last and the two preceding years:

Designation of taxes.	1864.	1863.	1862.
Registration, mortgage dues, etc....	328,586,000f.	331,438,000f.	318,310,000 f.
Stamp duties	76,340,000	78,072,000	65,296,000
Customs duties on grain.....	308,060	1,614,000	4,120,000
Various sorts of merchandise.....	64,970,000	78,582,000	77,462,000
French colonial sugar.....	22,681,000	45,764,000	31,126,000
Foreign sugar	36,464,000	48,312,000	39,602,000
Exports.....	333,000	799,000	1,067,000
Navigation dues.....	4,203,000	4,163,000	4,283,000
Various customs duties and receipts.	1,454,000	1,490,000	1,414,000
Tax on the consumption of salt levied in the customs districts.....	23,156,000	22,548,000	27,603,000
Duties on wines, beer, etc	216,152,000	211,399,000	204,288,888
Tax on the consumption of salt levied beyond the customs districts	8,797,000	8,415,000	11,891,000
Duty on manufacture of native beet-root sugar.....	15,858,000	57,933,000	47,680,000
Various duties and receipts.....	58,551,000	56,871,000	53,721,000
Sale of tobacco.....	235,212,000	226,478,000	220,446,000
Sale of gunpowder	13,074,000	13,050,000	13,946,000
Post office.....	68,107,000	68,092,000	64,001,000
Duty of 1 per cent on money orders (French).....	1,096,000	1,070,000	1,764,000
Duty of 2 per cent on money orders (foreign)	3,000	.....	.....
Duty on articles of value sent through the post-office.....	756,000	665,000	635,000
Transit duty on foreign mails	2,532,000	2,089,000	1,987,000
Various receipts.....	59,000	33,000	35,000
Total.....	1,176,692,000	1,244,377,000	1,190,687,000

DEPRESSION OF TRADE IN CANADA.

The trade circulars from Canada, reviewing the last year's business, have a desponding tone. The sales of timber and ships, the leading staples, show a heavy decline, and the foreign market is at the present time so overstocked that a revival of the demand cannot be expected very soon. Ship-building has re-

ceived a severe shock. Last year sixty-two vessels of an average of 950 tons each were built and launched at Quebec. Of this number many yet remain unsold in the English market, while the prices offering are less than the actual cost of their construction. The same degree of stagnation exists in the home market, where accumulation of white and red pine are quite large, to be held over for the opening of navigation. The stock of the former is about 28,000,000 feet, and of the latter 55,000,000 feet, which is a large excess compared with the previous year. The number of vessels which proceeded to Montreal, including steamships, in 1864, was 376, of an aggregate of 157,162 tons, against 503 vessels of 200,717 tons in 1863, showing a falling off of 127 vessels and 52,555 tons.

A NEW TEXTILE.

The Chamber of Commerce of Rouen, France, has caused experiments to be made of the applicability of various substances to supersede or to be used in conjunction with cotton. The results are embodied in a report representing that China grass has proved successful. The commission intrusted with the investigation and experiments say:

On the 16th of August, 1863, M. Terwagne, of Lille, sent in two samples of China grass, a kind of Siamese nettle. One of these samples was raw, the other bleached. Struck with the beauty of this textile substance, the chamber had issued a notice, inviting the manufacturers of Rouen to try it. On this occasion, MM. Mallard and Bonneau, of Lille, declared themselves to be the discoverers, and announced that the Chamber of Commerce of Lille had also caused experiments to be made.

The Chamber of Rouen then applied to the Minister of Agriculture and Commerce, who, accordingly, sent them a bale of thread and stuffs obtained from China grass, which is called *mah* by the Chinese, *rameh* in Java, and *Urtica nivea* by botanists. Since then experiments have been made on a large scale, especially with a mixture of China grass and cotton, not received from Louisiana. This mixture yields a softer and at the same time stronger stuff than that obtained with cotton alone, a stuff particularly applicable to household purposes, and certainly less apt to tear than cotton. It bleaches like the latter, and becomes glossy under the drying cylinder. In regard to dyeing, the new stuff takes madder quite as well as cotton; so also the Adrianople red, it will take aniline violet, fuchsine and indigo much better than cotton alone.

China grass alone has affinity of colors equal to that of the best cotton. With regard to strength, experiment shows that stuff made of China grass and cotton, when tried on the warp, is weaker than pure cotton in the proportion of 76 to 80, or thereabout, but that on the woof it is stronger in the proportion of 57 to 55.

The plant admits of being acclimatized in the south of France, and generally wherever cotton has been cultivated since the outbreak of the American war. It spreads with great rapidity, even when left to itself, and its cultivation gives little or no trouble.

At Calcutta it yields three crops a year, with stalks of the length of from six to nine feet. The Minister of Agriculture and Commerce has ordered over a quantity of China grass seed from its native country, in order to distribute it to all agriculturists who may apply for it.

The chemical treatment and the various manipulations requisite for obtaining the material fit for spinning cost together 1f. 5c. per kilo. As the cotton of Egypt now costs 5f. 60c., the difference in favor of China grass is 4f. 3c. To this must be added 10 per cent for the cleaning or picking and consequent waste of the said cotton, which raises the difference in favor of the new material at 4f. 59c. This is irrespective of the profit to be derived from the refuse to be sent to the paper mill.

STATISTICS OF TRADE AND COMMERCE.

Commerce of New York—Woollen Imports, &c.—Cotton—Exports from Cronstadt—Tide-Water Receipts—Lake Commerce of Buffalo—Imports and Exports at Baltimore—Chicago Growth and Trade—Imports Wheat, &c., into London.

COMMERCE OF NEW-YORK.

In our last number we gave (vol. 52, page 117) a detailed statement of the commercial movements at the Port of New-York, the past year, so far as the returns were at hand. We are able now, however, to complete the review, the official Custom-House returns being made up to the end of the year.

IMPORTS.

It will be remembered that the imports are all reckoned at their foreign cost in gold, freight and duty unpaid. Taking the imports of dry goods, as given in our last number, the total may be classified as follows:

FOREIGN IMPORTS AT NEW-YORK.

	1861.	1862.	1863.	1864.
Dry goods.....	$48,636,689	$56,121,227	$67,274,547	$71,589,752
Gen'r'l merchandise	133,472,764	117,140,813	118,814,219	144,270,386
Specie	37,088,413	1,390,277	1,525,811	2,265,622
Total imports.	$214,197,866	$174,652,317	$187,614,577	$218,125,760

We thus see that the value of the imports, the past year, have increased over thirty millions of dollars, nearly all of which (or about twenty-six millions of it) is under the head of general merchandise. In the one item of coffee our imports have doubled, being about seven and a-half millions in 1863, and fourteen and a half in 1864. The increase in dry goods is only about four millions. If we compare these figures with those of 1859 and 1860 (the two years previous to the war), we will find the total imports, the past year, to be less, by about twenty to twenty-five millions, than during those years. We give the figures since 1850, classifying them into dutiable, free, and specie. Under the head of dutiable is included both the value entered for consumption and that entered for warehousing. The free goods run very light, nearly all of the imports now being dutiable.

FOREIGN IMPORTS AT NEW YORK.

	Dutiable.	Free goods.	Specie.	Total.
1851	$119,592,264	$9,719,771	$2,049,543	$131,361,578
1852	115,336,052	12,105,342	2,408,225	129,849,619
1853	179,512,412	12,156,387	2,429,088	194,097,652
1854	163,494,984	15,768,916	2,107,572	181,371,472
1855	142,900,661	14,103,946	855,631	157,860,238
1856	193,889,646	17,902,578	1,814,425	213,556,649
1857	196,279,362	21,446,734	12,898,033	230,618,129
1858	128,578,256	22,024,691	2,264,120	152,867,067
1859	213,640,368	28,708,732	2,816,421	245,165,516

1860	201,401,683	28,006,447	8,852,330	238,260,460
1861	95,326,459	30,353,918	37,088,413	162,768,790
1862	149,970,415	23,291,625	1,390,277	174,652,317
1863	174,521,766	11,567,000	1,525,811	187,614,577
1864	204,128,236	11,731,902	2,265,622	218,125,760

We now annex our usual detailed statement, showing the receipts from foreign ports during each month of the year, for the last five years, both of dutiable and free goods, and what portion were entered for warehousing, and the value withdrawn from warehouse:

IMPORTS ENTERED FOR CONSUMPTION.

	1860.	1861.	1862.	1863.	1864.
January....	$16,521,174	$8,178,837	$6,763,396	$8,741,227	$12,422,618
February ..	14,467,040	7,003,899	7,058,174	7,372,539	15,766,601
March.....	16,163,698	6,700,061	10,312,689	11,461,572	15,848,4[illegible]5
April.....	10,407,966	5,393,809	7,141,197	9,493,880	18,951,7[illegible]0
May.....	10,515,411	2,889,588	8,091,120	7,980,281	7,531,[illegible]00
June	11,870,400	1,825,563	7,278,953	6,328,581	5,513,985
July.....	18,759,905	3,200,663	13,799,505	9,080,210	6,382,928
August.....	19,564,675	3,359,695	10,289,427	10,004,580	6,603,653
September..	11,516,139	3,106,298	11,890,711	11,203,535	4,890,114
October....	10,974,428	3,638,580	8,462,554	11,885,569	3,770,526
November..	8,525,416	4,614,982	6,565,185	10,826,929	2,363,359
December...	5,374,246	4,342,756	6,831,073	10,498,576	4,443,542
Total..	$154,660,498	$54,254,231	$104,483,984	$114,377,429	$104,988,811

IMPORTS ENTERED WAREHOUSE.

January.....	$2,744,411	$8,560,680	$3,141,725	$4,482,794	$5,571,936
February....	1,526,772	3,751,673	3,370,486	3,657,775	4,991,398
March.....	3,592,093	3,084,187	4,841,846	6,016,901	6,641,408
April.....	4,127,857	4,187,678	3,853,218	6,456,208	5,905,540
May.....	4,436,660	5,842,813	4,600,920	5,437,404	14,727,176
June.....	4,487,109	3,245,504	3,874,127	5,877,885	16,906,964
July	4,462,475	1,769,636	4,502,764	6,057,342	14,954,635
August.....	4,182,764	2,660,457	2,939,721	4,409 891	10,437,478
September..	2,855,784	1,890,766	4,351,084	3,431,310	5,258,568
October.....	2,317,461	2,082,881	3,689,806	4,189,457	5,332,928
November ..	3,961,652	2,150,561	2,108,009	4,956,415	4,160,532
December....	7,566,147	2,346,887	4,212,725	5,676,955	4,250,862
Total..	$46,741,185	$41,072,228	$45,486,431	$60,144,237	$99,139,425

IMPORTS OF FREE GOODS.

January.....	$2,262,638	$2,825,665	$2,552,050	$2,413,649	$841,050
February.....	3,172,192	2,312,563	3,381,473	783,561	797,788
March	3,739,241	2,873,697	3,476,004	1,328,806	1,072,849
April	2,386,349	3,351,905	2,232,315	1,328,216	1,025,517
May.....	1,845,020	2,780,568	1,446,093	710,021	1,056,576
June.....	2,765,008	2,191,513	1,122,092	781,053	1,258,634
July.....	1,594,918	2,972,054	1,831,931	683,880	917,684
August	2,050,665	1,816,224	982,992	509,781	936,474
September ...	1,652,882	1,577,[illegible]85	1,784,804	786,864	832,557
October.....	1,911,515	2,163,452	1,004,870	741,888	855,079
November.....	2,487,290	1,964,644	1,526,496	665,207	911,976
December.....	2,138,579	2,574,248	1,950,504	834,074	1,125,718
Total....	$28,006,447	$30,353,918	$23,291,625	$11,567,000	$11,731,902

IMPORTS OF SPECIE.

	1860.	1861.	1862.	1863.	1864.
January	$228,050	$7,262,229	$163,658	$101,906	$141,790
February	190,175	2,274,067	62,007	213,971	88,150
March	85,094	5,546,406	89,327	123 616	104,437
April	49,186	1,953,001	26,152	107,061	285,814
May	96,060	3,486,812	110,388	197,217	660,092
June	38,272	5,387,153	61,028	109.997	146,781
July	64,351	6,996,498	219,001	182,245	128,052
August	140,750	1,049,552	92,703	113,877	245,858
September	255,695	1,231,012	121,318	78,231	58,220
October	1,083,838	639,328	256,676	78,053	129,775
November	446,798	908,825	109,708	103,144	161,727
December	6,174,061	353,530	78,316	116,493	114,976
Total	$8,852,330	$37,088,413	$1,390,277	$1,525,811	$2,265,622

TOTAL IMPORTS.

January.	$21,756,273	$26,872,411	$12,620,829	$15,739,576	$18,977,394
Feb	19,356,379	16,341,707	13,872,140	13,027,846	21,643,987
March	23,580,126	18,204,351	18,719,866	18,390,895	23,667,119
April	16,971,358	14,886,393	13,252,882	17,385,315	26,168,631
May	16,893,151	14,949,281	14,248,521	14,524,925	23,975,144
June	19,160,789	12 649,733	12,336,195	12,597,516	23.926,314
July	24,881,649	14,938,851	20,353,202	16,003,677	22,383,299
August	25,938,854	8,885,928	14,304,843	15,038,129	18,223,463
Sept	16,260,450	7,305,461	18,147,917	15,499,940	10,539,459
October	16,787,242	8,523,741	13,413,906	16,894,967	10,088,808
Nov	15,421,156	9,639,012	10,309,398	16,045,695	8,597,595
Dec	21,253,033	9,616,921	13,072,618	17,126,098	9,935,095
Total.	$238,262,460	$162,768,790	$174,652,317	$187,614,577	$218,125,760

WITHDRAWN FROM WAREHOUSE.

January	$2,964,024	$2,543,273	$4,356,252	$2,881,531	$4,950,418
February	2,338,649	5,781,728	3,466,641	2,499,127	5,284,680
March	2,200,117	5,817,144	3,039,567	3,456,530	5,215,983
April	2,069.423	1,761,245	4,405,410	4,132,633	14,183,873
May	2,475,067	1,606,864	3,730,232	9,794,773	659,869
June	2,268,377	1,963,842	5,054,106	3,830,337	2,544,914
July	3,593,993	6,622,454	6,102,033	4,227,265	3,386,673
August	3,825,105	2,614,652	2,386,604	6,429,421	7,967,843
September	4,007,272	2,938,464	2,715,630	6,942,561	6,852,329
October	3,018,393	2,518,080	3,109,388	4,858,512	5,504,138
November	1,597,801	1,987,626	1,914,983	4,084,183	5,828,884
December	1,246,203	3,561,887	1,282,908	3,714,294	5,100,974
Total	$31,103,924	$39,717,259	$41,563,754	$50,851,167	$67,480,778

EXPORTS.

The total exports for 1864 show a very large gain over 1863, the increase being about $56,000,000. If we compare these figures with 1859, the increase will be found to be much greater—in fact, about three hundred per cent. The total shipments for 1859, exclusive of specie, were $67,980,321, while the past year they have been $221,822,542. It must be remembered, however, that these values, for 1864, are currency values, except, of course, the shipments of specie. The following will show the comparative shipments, for the last five years, of produce and merchandise by quarters:

EXPORTS FROM NEW-YORK TO FOREIGN PORTS EXCLUSIVE OF SPECIE.

	1860.	1861.	1862.	1863.	1864.
First quarter..	$20,827,086	$38,477,742	$32,075,568	$50,614,908	$41,429,756
Second quarter	22,740,760	33,123,489	29,798,344	41,046,726	48,446,686
Third quarter.	26,079,826	30,075,918	45,313,299	38,825,587	79,519,134
Fourth quarter.	33,845,108	41,917,752	49,747,611	40,223,747	52,426,966
Total....	$103,492,280	$138,594,901	$156,934,822	$170,718,768	$221,822,542

We now annex our usual detailed statement, showing the exports of domestic produce, foreign dutiable and free goods, and specie and bullion during each month of the last five years:

EXPORTS OF DOMESTIC PRODUCE.

	1860.	1861.	1862.	1863.	1864.
Jan.....	$5,299,142	$10,277,925	$12,053,477	$14,329,398	$11,448,953
Feb.....	5,699,387	10,263,820	10,078,101	17,780,586	13,662,218
March....	6,998,687	10,580,907	8,985,176	16,137,689	14,410,051
April....	6,638,682	9,255,648	8,002,094	11,581,933	13,263,712
May.....	5,812,190	10,855,709	9,837,693	13,183,510	14,610,493
June	8,307,774	10,270,430	10,048,832	14,780,072	17,996,495
July.....	7,525,713	9,552,789	14,050,437	15,298,073	26,251,673
August ..	8,012,814	9,652,801	13,046,389	10,666,959	26,617,850
Septemb'r	9,232,931	9,877,909	14,734,993	11,717,761	15,595,548
October...	10,067,330	12,904,550	19,476,947	14,513,454	16,740,404
November	11,262,701	14,109,763	14,060,840	11,413,591	12,015,064
December.	10,610,945	13,661,444	14,805,112	12,846,151	19,248,528
Total..	$95,468,296	$131,285,995	$149,179,591	$164,249,177	$201,855,989

EXPORTS OF FOREIGN FREE.

January.....	$324,003	$399,940	$27,193	$73,111	$42,232
February.....	344,994	137,950	49,099	43,889	77,698
March.....	285,351	109,270	65,388	213,685	72,667
April.....	254,742	209,573	56,350	74,949	48,461
May.....	309,921	180,114	76,971	103,337	40,898
June.....	200,464	648,482	43,868	49,380	75,709
July	140,949	203,325	1,117,193	77,232	249,404
August.....	76,083	57,965	417,100	90,815	126,537
September....	46,620	30,013	667,987	55,400	848,742
October	94,175	60,868	179,295	149,325	69,965
November	84,167	41,978	45,538	56,534	64,914
December	97,241	75,474	108,489	55,555	425,231
Total	$2,258,710	$2,154,947	$2,853,848	$1,087,212	$2,142,458

EXPORTS OF FOREIGN DUTIABLE.

January	$399,317	$465,978	$149,493	$668,275	$664,485
February....	631,489	429,537	208,757	610,009	456,493
March.....	844,716	839,415	458,917	758,266	599,959
April.....	482,489	231,784	607,678	875,224	558,812
May	248,270	567,872	752,797	602,254	569,888
June.....	486,228	903,877	372,561	298,067	1,282,218
July.....	232,552	260,866	449,948	448,601	5,137,460
August.....	191,270	176,581	256,680	231,774	2,221,782
September ..	620,394	264,168	572,572	238,972	2,460,138
October.....	894,763	192,196	434,265	350,614	1,104,299
November ..	400,218	377,170	284,878	383,948	1,126,059
December...	833,578	494,514	352,902	458,575	1,632,502
Total..	$5,765,274	$5,203,959	$4,901,383	$5,425,579	$17,824,095

EXPORTS OF SPECIE AND BULLION.

January.....	$853,562	$58,894	$2,658,274	$4,624,574	$5,459,079
February.....	977,009	1,102,926	3,776,919	3,965,664	3,015,367
March.....	2,381,663	301,802	2,471,233	6,585,442	1,800,559
April.....	2,995,502	1,412,674	4,037,675	1,972,834	5,883,077
May.....	5,529,936	128,900	5,164,636	2,115,675	6,460,930
June	3,842,080	244,242	9,867,614	1,367,774	6,533,109
July.....	6,563,985	11,020	8,069,337	5,268,881	1,947,329
August.....	7,454,813	3,600	3,718,532	3,465,261	1,001,813
September....	3,758,784	15,756	3,085,919	3,480,385	2,835,398
October.....	2,106,395	15,038	6,707,519	6,210,156	2,517,121
November....	525,091	48,385	6,213,251	5,438,363	7,267,662
December....	202,401	893,013	3,673,112	5,259,053	6,104,177
Total....	$42,191,171	$4,286,250	$59,437,021	$49,754,066	$50,825,621

TOTAL EXPORTS.

January..	$6,876,024	$11,202,737	$14,888,437	$19,695,358	$17,609,749
February.	7,652,879	11,907,233	14,112,843	22,400,148	17,211,776
March ...	10,510,417	11,831,394	11,980,714	23,695,082	16,383,236
April.....	10,390,415	11,709,679	12,703,797	14,004,940	19,754,062
May.....	11,900,317	11,732,595	15,832,097	16,002,780	21,682,200
June.....	17,836,546	12,067,081	20,332,375	16,495,293	25,887,531
July.....	14,463,199	10,028,000	23,684,915	21,092,787	33,585,866
August ..	15,734,980	9,890,448	17,433,701	14,454,809	20,977,982
Septemb'r	13,658,679	10,178,846	19,061,471	15,492,518	21,739,826
October..	12,662,653	13,172 452	26,797,936	21,219,549	20,431,789
November	12,272,177	14,577,291	20,603,942	17,292,436	20,473,699
December.	11,745,165	15,124,445	18,939,615	18,619,334	27,410,438
Total.	$145,688,451	$142,931,151	$216,371,843	$220,465,034	$272,648,163

WOOL IMPORTS, ETC.

NEW YORK, BOSTON, AND CALIFORNIA.

THE trade in both foreign and domestic wools during the year just closed was large and prosperous, the imports, as will be seen from the figures below, showing an increase over even those of last year. The number of bales imported at New York, and the entered value, since 1860 has been as follows:

IMPORTS OF FOREIGN WOOL AT NEW YORK.

Year.	Bales.	Enter'd value.	Year.	Bales.	Entered value.
1860.....	30,985	$2,250,928	1863	109,141	$8,121,032
1861	31,016	2,006,136	1864	115,799	9,418,291
1862	88,883	6,134,292			

The enormous increase in the consumption of wool by the army is well illustrated by these figures. At Boston the imports of foreign wool have been as follows:

IMPORTS OF FOREIGN WOOL AT BOSTON.

Year.	Bales.	Quintals.	Year.	Bales.	Quintals.
1864	35,341	5,746	1858	19,882	10,322
1863.....	22,644	....	1857	37,680	13,847
1862	39,799	600	1856	14,478	17,755
1861	31,578	5,097	1855	14,999	9,751
1860	30,160	16,471	1854	24,925	9,821
1859	36,708	33,774	1853	27,374	16,451

Below is a statement of the imports of wool at New York for the past two years, giving the countries from whence it was imported, the number of bales, weight, and sworn Custom-House value:

IMPORTS OF FOREIGN WOOL AT NEW YORK DURING THE YEAR 1863 AND 1864.

From whence.	Year, 1863. No. of bales.	Weight, lbs.,	Entered value.	Year, 1864. No. of bales.	Weight, lbs.	Entered value.
England	27,112	11,426,648	$2,013,770	15,463	6,551,686	$1,312,317
Buenos Ayres	14,819	12,203,407	1,819,690	14,121	11,582,990	1,780,496
France	24,964	7,075,227	1,223,543	21,477	5,837,840	1,080,041
Belgium	2,135	1,403,108	255,279	1,745	1,005,840	264,840
Africa	10,613	4,964,845	822,002	24,651	10,973,155	2,007,742
Brazil	2,009	1,135,073	163,777	2,115	1,306,529	219,311
Sardinia	82	24,020	2,963	....	.....	.....
Venezuela	7	550	58	....	.....	.....
Tuscany	571	243,318	30,874	257	150,331	15,680
British N. A. colonies	20	3,206	955	....	.....	.....
Bremen	501	183,032	60,658	283	96,396	24,799
New Granada	295	56,449	9,086	4,921	6,862,122	547,562
Scotland	31	7,300	2,679	....	.....	.....
Wrecked	98	19,317	2,935	....	.....	.....
Spain	598	191,625	30,463	499	137,324	22,710
Canary Islands	174	1,724	1,734	....	.....	.....
Italy	...	....	....	79	26,299	5,124
Hamburg	430	169,055	49,331	1,051	281,041	38,847
Gibraltar	221	48,639	7,945	421	83,699	14,316
Cuba	16	5,869	894	...	.....	.....
Portugal	893	180,354	30,227	878	175,889	29,281
British West Indies.	24	907	139	840	316,059	42,529
Porto Rico	...	....	....	410	128,438	17,616
Turkey	2,567	1,117,552	185,004	1,269	537,884	113,803
Dutch West Indies	92	34,739	4,241	48	15,932	1,953
Mexico	3,786	1,314,209	176,024	1,108	460,599	60,562
Cisplatine Republic.	1,270	1,058,392	172,221	3,923	3,409,672	613,844
Russia	3,705	1,387,479	217,743	9,445	3,505,189	600,343
British East Indies	2,188	703,084	146,598	3,586	1,247,396	233,730
British pos. in Africa	6,456	2,915,994	526,012	1,174	518,954	93 892
Chili	3,160	757,445	143,643	3,527	1,539,795	194,849
Cadiz	151	30,649	5,854	....	.....	.....
Malta	6	2,772	666	....	.....	.....
China	147	79,213	9,514	36	4,800	439
Austria	....	.....	....	66	27,045	7,527
Morocco	....	.....	....	1,096	356,133	47,296
Danish West Indies.	....	.....	....	135	4,436	512
Greece	....	.....	....	575	230,755	26,330
	109,141	48,744,901	$8,121,032	115,799	56,874,128	$9,418,291

The receipts of wool at California and vicinity have been as follows, from January 1st to December 31st, 1864:

California, estimated ..... lbs.	8,000,000
Oregon, estimated	216,800
Vancouver Island, estimated	68,200
Sandwich Islands, estimated	39,200
Total receipts ..... lbs.	8,324,200
Shipments and consumption	8,203,192
Balance on hand and in the country ..... lbs.	121,008

Shipments of wool from January 1 to December 31, 1864 :

New York, per steamers..... lbs.	3,560,260	
New York, per sailing vessels... ...	1,931,554	5,491,814
Boston, per sailing vessels		842,850
Punta Arenas, per sailing vessels		1,012
Tahiti, per sailing vessels.....		341
La Paz, per steamer...		175
Total ..... lbs.		6,336,192
Home consumption		1,867,000
Grand total.....lbs.		8,203,192

The total product of California for a series of years has been as follows :

PRODUCT OF WOOL FOR EACH YEAR FROM 1855 TO 1864, INCLUSIVE.

1855.....lbs.	360,000	1860.....lbs.	3,260,000
1856.....	600,000	1861.....	4,600,000
1857.....	1,100,000	1862.....	6,400,000
1858.....	1,428,000	1863..... ..	7,600,000
1859.....	2,378,000	1864.	8,000,000

The entire clip of the United States for 1864 was about 100,000,000 pounds.

COTTON.

THE cotton trade the past year has continued in a very unsatisfactory condition the world over. The fluctuations in prices have been almost incessant, and if we take the Liverpool market, we find that not a week has passed without some change transpiring in the value of one or more of the various descriptions. There are, however, four grand movements which stand out prominently from the rest—first, a gradual decline from January to April ; second, a steady advance to the close of July ; third, a rapid fall to the middle of October : and, finally, a considerable rebound to the end of December. These extreme variations are set forth in the following table, which gives also the fluctuations in yarn and cloth :

PRICES OF COTTON YARN AND CLOTH AT LIVERPOOL DURING 1864.

	Prices current.				
Cotton.	Jan. 1.	April 1.	July 31.	Oct. 22.	Dec. 31.
Orleans, middling .....per lb	27⅛d	26½d	31½d	22d	27d
Pernam, fair.....	28½d	26½d	32d	22½d	26⅝d
Egyptian, fair roller.....	28½d	26d	50d	20½d	27½d
Smyrna, fair.....	22⅝d	22½d	23½d	12½d	18½d
Dhollera, fair	23d	21½d	24d	13½d	20d
Bengal, fair.....	18d	15d	17½d	8½d	18d
China, fair.....	20d	17½d	19½d	11d	16d
Yarn.					
Water—20's good 2nds.....	31d	28d	32d	20d	28½d
Mule—40's good 2nds.....	36d	34d	36d	22d	30d
Cloth—Gray.	Jan. 1. s. d.	April 1. s. d.	July 31. s. d.	Oct. 22. s. d.	Dec. 31. s. d.
26in printers 66rd 4½ lb...per piece	11 9	11 6	13 1½	9 0	12 0
36in shirting 64rd 7½ lb.....	18 6	18 3	20 6	14 0	18 6
36in shirting 66rd 7⅞ lb.....	19 9	19 6	22 6	15 0	20 6
24in domestics 60yd 9½ lb per yard.	0 4⅝	0 4½	0 4⅝	0 3	0 3⅞

The total supply and consumption in Europe the past year may be seen from the following table:

IMPORT, STOCK, AND CONSUMPTION IN EUROPE, EXPRESSED IN BALES.

Import, stock, etc.	1862. United States.	1862. Total.	1863. United States.	1863. Total.	1864. United States.	1864. Total.
Stock, Jan. 1, M. bags.	434,000	883,000	88,000	507,000	52,000	364,000
Import to 31st December:						
Great Britain.....	72,000	1,445,000	132,000	1,932,000	198,000	2,587,000
France	24,000	225,000	8,000	315,000	15,000	429,000
Holland	11,000	74,000	10,000	136,006	9,000	119,000
Belgium.....	1,000	17,000	.....	37,000	1,000	22,000
Germany	5,000	98,000	11,000	158,000	6,000	181,000
Trieste	....	32,000	.....	26,000	....	28,000
Genoa	1,000	10,000	1,000	22,000	....	18,000
Spain	18,000	73,000	6,000	106,000	12,000	92,000
M. bags.....	132,000	1,974,000	168,000	2,733,000	241,000	3,476,000
Deduct inter. shipments	38,000	888,000	19,000	514,000	21,000	468,000
M. bags.....	94,000	1,586,000	149,000	2,219,000	220,000	3,008,000
Add stock from above.	434,000	883,000	88,000	507,000	42,000	364,000
Total supply, M. bags.	528,000	2,469,000	237,000	2,726,000	262,000	3,372,000
Deduct stock 31st Dec.	88,000	507,000	42,000	364,000	24,000	648,000
Total deliveries, M. bags	440,000	1,962,000	195,000	2,362,000	238,000	2,724,000

GENERAL CONSUMPTION OF COTTON IN POUNDS WEIGHT.

	1864.	1863.	1862.	1861.
United States	104,000,000	85,000,000	193,000,000	1,197,000,000
Brazil	41,000,000	32,000,000	24,000,000	16,000,000
West Indies	18,000,000	6,000,000	8,000,000	8,000,000
East Indies and China.....	575,000,000	562,000,000	427,000,000	300,000,000
Mediterranean.....	242,000,000	200,000,000	106,000,000	88,000,000
Total pounds.....	980,000,000	885,000,000	758,000,000	1,609,000,000

The following table shows to what extent the supply from certain countries has increased since the war began:

	From Bombay.	From Madras.	From Egypt.	From Brazil.
1860 .....bales	508,000	55,000	109,000	103,000
1861.....	906,000	80,000	97,000	100,000
1862.....	915,000	124,000	132,000	134,000
1863.....	899,000	177,000	204,000	148,000
1864.....	1,043,000	173,000	257,000	212,000

There has also been a steady increase from China and Japan, but the bags are small (240 lbs.,) and the aggregate quality not very large. The apparent aggregate increase of supply, however, since the commencement of the cotton famine is greater than the real one, inasmuch as the average weight of the bales has been steadily decreasing.

The total receipts and weekly consumption in Great Britain during same time have been as follows:

	Receipts.			Weekly consumption.		
	Bales.	Aver. weight. Lbs.	Aggregate in pounds.	Bales.	Lbs.	Pounds.
1860	3,366,000	425	1,430,550,000	48,500	425	20,612,500
1861	3,036,000	415	1,259 940,000	45,500	415	18,882,500
1862	1,445,000	370	534.650,000	22,800	370	8,436,000
1863	1,932,000	364	703,248,000	26,500	364	9,646,000
1864	2,567,000	347	897,689,000	30,900	347	10,722,300

RUSSIA.—EXPORTS FROM CRONSTADT IN 1864.

THE following are exports from Cronstadt, in 1864, to New York and Boston:

TO NEW YORK.

Sheet iron.....poods	24,404	Feathers .....poods	525
Hemp.....	15,799	Horse hair.	1,378
Flax.....	1,301	Crash .....arsheens	547,000
Cordage	3,041	Sail cloth .....pcs.	6,303
Junk.....	69,658	Ravens duck.....	3,520
Rags	33,650	Flems	100
Oakum	630	Mats	5,130
Felt	130	Oak wood.....poods	363
Bristles	626		

TO BOSTON.

Sheet iron.....poods	25,845	Diaper .....arsheens	17,959
Flax	653	Sail cloth .....pcs.	3,004
Flax tow.....	11,324	Ravens duck.....	1,550
Cordage	1,888	Flems	50
Junk	38,387	Mats	3,700
Rags	16,518	Flaxseed .....poods	141
Oakum	900	Lima wood.....	2,830
Tar.....	4,500	Tortoise shell.....	27
Bristles	654	Linseed.....chetwerts	60
Horse hair	672	Cotton ropes.....pcs.	100
Red leather	310	Cotton robes.....arsheens	1,000
Crash .....arsheens	217,000	Sundries.....pkgs.	8

CANALS OF NEW YORK.

TIDE-WATER RECEIPTS OF PRODUCE.

THE quantity of flour, wheat, corn, and barley, left at tide-water, from the commencement of navigation to the 8th of December, close thereof, during the years 1863 and 1864, was as follows:

	Flour, bbls.	Wheat, bush.	Corn, bush.	Barley, bush.
1863.....	1,560,000	22,206,900	20,603,600	3,190,500
1864.....	1,184,300	15,465,600	10,352,400	3,045,900
Decrease.....	376,500	6,741,300	10,251,200	144,000

By reducing the wheat to flour, the quantity of the latter left at tide water this year, compared with the corresponding period last year, shows a deficiency equal to 1,724,760 barrels flour.

The following comparative table shows the quantity of some of the principal articles of produce at tide-water from the commencement of navigation to the close thereof, in the years indicated:

Canal opened—	1862, May 1.	1863, May 1.	1864, April 30.
Flour.....bbls.	1,828,500	1,560,800	1,184,300
Wheat.....bush.	32,669,900	22,207,900	15,465,600
Corn.....	23,709,800	20,613,600	10,352,200
Barley.....	2,562,700	3,190,500	8,404,900
Oats.....	5,940,000	12,437,500	12,177,509
Rye.....	7,000,100	470,500	620,300
Beef.....bbls.	171,900	87,200	75,700
Pork.....	169,800	232,200	58,300
Bacon.....lb.	6,732,000	3,711,500	579,600
Butter.....	6,028,000	5,171,500	1,327,800
Lard.....	10,200,000	20,776,100	2,644,800
Cheese.....	13,700,000	9,614,000	4,298,900
Wool.....	1,760,000	429,200	1,226,100

LAKE COMMERCE OF BUFFALO, 1864.

THE following statement shows the arrivals and clearances at and from Buffalo of American and foreign vessels to and from Canadian ports; also the arrivals and clearances of American vessels to and from American ports, the tonnage of the same; and the number of men composing the crews arriving and departing; also comparative statement of the same for a series of years:

SUMMARY FOR THE YEAR 1864.

	No.	Tonnage.	Crews.
American vessels entered.....	1,663	1,641,258	17,102
Foreign vessels entered.....	926	72,424	4,229
Coasting vessels entered.....	4,369	1,708,085	52,442
Total entered for the year.....	6,958	3,421,787	73,773
American vessels cleared.....	1,810	1,669,888	17,424
Foreign vessels cleared.....	814	64,407	4,066
Coasting vessels cleared.....	4,523	1,735,291	52,898
Total cleared for the year.....	7,147	3,469,581	74,388
Grand total 1864.....	14,105	6,891,348	148,161
" 1863.....	15,376	6,757,903	157,415
" 1862.....	16,390	6,689,191	166,133
" 1861.....	13,866	5,963,896	144,173
" 1860.....	11,527	4,710,175	120,497
" 1859.....	10,521	5,592,626	118,109
" 1858.....	8,318	3,329,246	86,887
" 1857.....	7,581	3,226,806	132,183
" 1856.....	8,128	3,018,589	112,051
" 1855.....	9,211	3,360,233	111,575
" 1854.....	8,912	3,990,234	120,838
" 1853.....	8,298	3,252,978	128,112
" 1852.....	9,441	3,092,247	127,491

TRADE AND GROWTH OF CHICAGO.

THE annual tables of the trade and commerce of Chicago, furnished by the *Tribune* of that city, for the year 1864, exhibit some surprising evidences of rapid growth and continued prosperity. The *Tribune* says that there has never before been such activity and success in all branches of trade, manufactures, and com-

merce. The war has stimulated rather than diminished the demand for the products of the great West and Northwest. We glean the following summary of the statements for 1864 and 1863 :

	1864.	1863.
Flour and grain.....bush.	45,952,741	56,079,903
Beeves packed.....No.	65,000	70,000
Pork packed.....	904,658	970,264
High wines manufactured.....bbls.	133,145	159,312
Lumber received.....feet	480,156,000	392,800,000
Hides received.....No.	19,524,409	18,561,985
Wholesale grocery trade.....	$40,000,000	.....
Wholesale dry goods trade.....	$35,000,000	.....
Hats, caps, and furs	$5,000,000	.....
Wholesale boot and shoe trade.....	$14,000,000	.....
Wholesale clothing trade.....	$12,000,000	.....
Lake fish trade.....pkgs.	85,770	56,729

BALTIMORE IMPORTS AND EXPORTS.

The Baltimore commerce returns, as given by the Baltimore *Sun*, shows that the chief articles of import compare as follows :

	1864.	1863.
Sugar .....lb.	34,919,266	40,808,242
Coffee.....	15,721,657	14,060,034
Salt.....bush.	28,844,570	341,500
Molasses .....galls.	1,044,903	842,103
Guano..... ...tons	1,916	940

The value of iron in 1863 was $41,169 against $402,697 last year, and of hides, in 1863, $107,561 against $146,093 last year.

The chief articles of export compare as follows :

	1864.	1863.
Corn .....bush.	105,544	271,542
Wheat.....	60,022	95,194
Flour.....bbls.	331,423	316,596
Coal..... ...tons	7,303	8,705
Oils (petroleum and coal)....galls.	821,608	318,870
Tobacco..... .....value	$5,250,044	$4,576,221
Tobacco, mid .....lb.	63,727	102,301
Tallow.....	458,459	1,241,735
Lumber .....value	$224,692	$179,929
Lard ....lb.	2,564,400	3,661,113
Pork.....bbls.	5,803	7,998

IMPORTS OF WHEAT, FLOUR, BARLEY, AND OATS INTO LONDON, 1863–64.

The leading countries from which the imports of wheat, flour, barley, and oats, into London, last year, and in 1863, were derived, are exhibited in the following statement :

	Wheat.		Flour.	
	1863. Qrs.	1864. Qrs.	1863. Pkgs.	1864. Pkgs.
America—British Possessions.....	54,389	27,464	56,586	29,406
United States.....	306,261	119,970	576,521	316,993
Egypt.....	35,301	1,220	400	.....

France	5,613	7,435	13,250	26,991
Hanseatic Towns	21,647	29,572	11,145	4,389
Mecklenburg	28,588	50,514	....	....
Prussia	279,356	264,487	834	1,464
Russia—Baltic Sea	111,153	241,078	2,217	18
Azoff Sea	28,757	10,202	....	....
Black Sea	15,337	34,345	....	....
Total, including minor countries.	908,829	813,096	672,132	381,201

	Barley.		Oats.	
	1863. Qrs.	1864. Qrs.	1863. Qrs.	1864. Qrs.
Denmark	70,071	64,586	251,596	210,548
Egypt	80,349	7,855	.....	.....
France	61,674	12,699	15,880	9,890
Hanover	1,809	210	63,853	16,061
Hanseatic Towns	41,435	8,552	21,638	10,532
Holland	4,197	203	60,425	49,241
Prussia	71,536	28,129	123,364	35,614
Russia—Baltic Sea	280	6,190	243,567	674,547
White Sea	..	575	80,541	126,839
Black Sea	105,767	74,878	388	.....
Azoff Sea	8,500	.....	....	2,700
Sweden	6,249	15,603	630,978	651,081
Turkish dominions	80,201	57,231	.....	.....
Total, including minor countries.	543,559	288,481	1,551,795	1,827,804

MINING STATISTICS.

GOLD MINING IN CONNECTICUT.

The Stamford *Advocate*, in alluding to recent discoveries of gold at Greenwich, Conn., says:

"We saw specimens of the ore from this mine some two weeks since.

"By an interview with Dr. Keith, a resident of this place, we learned the following facts. The assays from ore taken from the Stamford lode yielded from

"No. 1—$57.44 in gold per ton.

"No. 2—$51.70 in gold per ton.

"No. 3—$71.50 in gold, and $4.75 in silver per ton.

"Only one assay has been made from the Greenwich lode, and that gave $30.90 in gold per ton. The Doctor informs us the present appearance of the lodes is as good as in the generality of the mines in Colorado. Should these mines prove to be no richer than the yield by the above assays, their value must be very great. After a mine is well opened, it is calculated that ore can be mined and worked at a cost of from $15 to $20 per ton in currency—this would leave a profit of over $50 in gold per ton, if we take the average of the above assays. If there is gold on the surface of these mines, there must be a richer harvest below, and we hope that the work on them will be prosecuted with vigor, as we doubt not that it will be advantageous to the owners, and we are quite certain that it will have a tendency to add much to the wealth and prosperity of Stamford."

PRODUCT OF PORTAGE LAKE MINES FOR 1864.

	Tons.	Pounds.
Quincy mine	1,485	1,362
Pewabic mine	932	791
Franklin mine	781	880
Isle Royale mine	363	1,676
Grand Portage mine	316	196
Huron mine	310	1,622
Hancock mine	50	182
Mesnard mine	28	190
Shelden-Columbian mine	11	023
Arcadian mine	5	680
Albany and Boston mine	3	040
Douglass mine	2	1,459
St. Mary's mine	2	590
Total	4,292	1,691
Product of 1863	4,106	1,317
Increase in 1864	186	374

The following table will show the productions of the various mines in the district for the past three years:

	1864.		1863.		1862.	
	Tons.	Lbs.	Tons.	Lbs.	Tons.	Lbs.
Quincy	1,485	1,362	1,472	1,531	1,252	1,403
Pewabic	932	791	1,083	752	1,025	1,789
Franklin	781	880	780	189	945	1,194
Isle Royale	363	1,676	372	920	520	1,030
Grand Portage	316	196	247	883	...	....
Huron	310	1,622	69	283	98	874
Hancock	50	182	72	320	66	846
Mesnard	28	190	3	1,185	33	....
Shelden-Columbian	11	023	3	1,254	....	....
Arcadian	5	680	....	....	....	....
Albany and Boston	3	040	....	....	....	....
Douglass	2	1,459	....	....	....	....
St. Mary's	2	590	2	....	....	....
Total	4,292	1,691	4,106	1,317	3,942	1,226
Increase of 1863 over 1862					164	91
Increase of 1864 over 1863					186	374
Increase of 1864 over 1862					350	465

Considering the increased number of mines in 1864 over 1862, the gain has not apparently, been in proportion, and a little explanation may be necessary. In 1862 the amount of ingot copper produced was 3,075 tons, while in 1864 it was 3,400 tons, which excess when reduced to 80 per cent mineral, gives 380 tons instead of 350 tons gain as shown in the preceding table. This has been occasioned by improvements in washing machinery, whereby a greater purity of metal is obtained, but the number of tons is decreased. Another item is the scarcity of labor for the past two years; and every new mine that has been started has drawn away laborers from producing mines while the new mines have produced nothing.

The prospects for another year, if labor grows no scarcer are much more flattering than those for the three years past, and we may expect a decided increase over the product of 1864—say 800 tons.—*Portage Lake Mining Gazette.*

THE CANADIAN GOLD FIELDS.

A correspondent of the Toronto *Leader* in speaking of the Canadian gold fields, says:

The anticipations of those gloomy prophets who foretold that the gold mines would cease to produce enough of the auriferous metal to make their working profitable—or perhaps, rather I should say, would decline in value from year to year—have not been realized so far. On the contrary, the reports grow more favorable from year to year. At the present time there are in operation in this province some eight or nine well known mines, which have stood the test of years, besides a number of other of lesser note, and unproclaimed districts, numbering in all about 90. These employ very nearly 800 men. The quantity of quartz raised during the three months of October, November, and December, was respectively 2,265, 2,330, and 1,520 tons. The average yield of gold is about seven-eighths of an ounce per ton. The total yield of the past year, as gathered from the official returns, was 20,022 oz. 13 qrts. 13 grs, being an excess over the year 1863 of 6,000 ounces. The following table shows the yield during each quarter of the year:

Quarter ending March 31, 1864.....	4,010	18	8
" June 30, 1864.....	5,159	8	8
" Sept. 30, 1864.....	5,395	2	21
" Dec. 31, 1864.....	5,457	9	5
Year ending Dec. 31, 1864.....	20,022	13	13

This does not embrace all taken from the mines, because it is impossible to obtain complete returns, but valued at $20 per ounce, we find that the product of our gold mines last year was worth $400,458. This is a very satisfactory result, and the indications, I am happy to say, are, that the product this year will be even larger than in 1864.

COMMERCIAL REGULATIONS.

DECISIONS OF THE TREASURY DEPARTMENT UNDER THE TARIFF ACTS.

The following decisions have been made by the Secretary of the Treasury, of questions arising upon appeals by importers from the decisions of collectors, relating to the proper classification, under the tariff acts, of certain articles of foreign manufacture and production, entered at the ports of New York, Boston, &c.:—

SAIL CLOTH—DECISION UNDER 24TH SECTION ACT JUNE 30, 1864.

Treasury Department, October 18, 1864.

SIR:

Messrs. AARON D. WELD & SON have appealed from your decision, that on an importation of sail cloth from St. Petersburg, transhipped at London, the freight, &c., from St. Petersburg to London, is made a dutiable charge under the 24th section of the act approved June 30, 1864, which is as follows:

"*And be it further enacted*, That in determining the valuation of goods imported into the United States from foreign countries, except as hereinbefore provided, upon which duties imposed by any existing laws are to be assessed, the actual value of such goods on shipboard at the last place of shipment to the United States shall be deemed the dutiable value. And such value shall be as-

certained by the adding to the value of such goods at the place of growth, production, or manufacture, the cost of transportation, shipment, and transhipment, with all the expenses included, from the place of growth, production, or manufacture, whether by land or water, to the vessel in which shipment is made to the United Staets, the value of the sack, box, or covering of any kind in which such goods are contained, commission at the usual rate, in no case less than two and one-half per centum, brokerage, and all export duties, together with all costs and charges paid or incurred for placing said goods on shipboard, and all other proper charges specified by law."

The comprehensive language of the section clearly includes the item of freight and commission for reshipment. It does not express a value at the place of original shipment for this country; but following the merchandise by land and sea, adds the accruing charges of transportation, shipment, transhipment, &c., until the goods are laden on that vessel which bears them to our shores.

Your decision is hereby affirmed.

I am, very respectfully,

GEO. HARRINGTON,
Acting Secretary of the Treasury.

To J. Z. GOODRICH, Esq.,
Collector, Boston, Mass.

DRESS ORNAMENTS.

Treasury Department, October 18, 1864.

SIR:

Messrs. GAVETTY & GEER, of New York, have appealed (No. 2,385) from your decision assessing duty, at the rate of fifty per cent ad valorem, on certain dress ornaments, being wooden moulds or cores covered with silk; and your decision assessing duty at the rate of thirty-five per cent ad valorem, as manufactures of wood, the wooden moulds or cores uncovered.

The appellants claim that the articles are "buttons and button moulds," and are liable as such to duty at the rates of 40 per cent and 30 per cent respectively.

The articles styled "buttons" by the appellants are dress ornaments, (in accordance with decisions of the Department of February 16, 1861, and November 19, 1863,) and composed of silk and wood, silk being the chief value, are subject to duty at 50 per cent ad valorem, as "manufactures of which silk is the component material of chief value, not otherwise provided for," in section 8 act of June 30, 1864.

The articles styled "button moulds" are moulds or cores of wood for *dress ornaments*, and being evidently not for *buttons*, cannot be regarded as button moulds within the meaning of the law, (section 22, act March, 1861,) are therefore subject to duty as "manufactures of wood," at 35 per cent ad valorem, by section 22 act of March, 1861, and section 13 act of July, 1862.

Your decisions are hereby affirmed.

I am, very respectfully,

GEO. HARRINGTON,
Acting Secretary of the Treasury.

To J. Z. GOODRICH, Esq.,
Collector, Boston, Mass.

SILK CRAPES.

Treasury Department, October 20, 1864.

SIR:

Messrs. BECAR, NAPIER & Co. have appealed (No. 2,351) from your decision assessing duty, at the rate of 60 per cent, on certain "silk crapes" imported by them from Liverpool per steamer "Louisiana," and claim that the proper duty should be 50 per cent, for the reason that "silk crapes are not known in trade as

'piece silks' or 'silks in the piece,' and are not so in reality, as the process of manufacture makes them an entirely different article; an article as distinct in itself as silk laces. As it is not enumerated among the articles which are distinct in their manufacture from dress and piece silks, we claim that they should be returned by the appraisers as 'manufactures of silk not otherwise provided for,' and pay a duty of 50 per cent."

Section 8 of the tariff act of June 30, 1864, imposes a duty of 60 per cent ad valorem "on all dress and piece silks," &c., &c. In the same section it is provided that a duty of 50 per cent ad valorem shall be imposed "on all manufactures of silk, or of which silk is the component material of chief value, not otherwise provided for, fifty per cent ad valorem." Under this latter provision, Messrs. BECAR, NAPIER & Co. claim to enter the "silk crapes" in question.

Silk crape is undoubtedly a manufacture of silk, and this is true of all silks in the piece; but a distinction is made in the tariff between *silk in the piece and a manufacture of silk*, so that all silks *in the piece*, by whatever name or description designated, must be so classed, and are liable to 60 per cent ad valorem duty.

Your decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN.
Secretary of the Treasury.

To SIMEON DRAPER, Esq.,
Collector, New York.

BRANDY—DECISION UNDER 20TH SECTION ACT APPROVED JUNE 30, 1864.

Treasury Department, October 20, 1864.

SIR:

Your letter of the 24th ult., in relation to your withdrawal entry of brandy imported by you per ships "Penelope," "Auguste," and "Victoria," is received.

It appears that your withdrawal entry was nearly completed on the 30th of April, when the officers of the customs at New York received notice of the passage of the joint resolution of April 29, imposing 50 per cent additional duty, which duty you declined to pay, and have not since paid, the brandy still remaining in bond.

You ask to be permitted to pay the rate of duty which the brandy was subject to prior to the 30th April, "as Congress subsequently amended the 50 per cent act, postponing its operation until the 1st day of May."

As there is no evidence of your having tendered the amount of the duty imposed by acts passed prior to the joint resolution to the collector on the 30th of April, I am of the opinion that the subsequent act of Congress, to wit: section 20 of the act of June 30, 1864, affords you no relief. Had you paid the additional 50 per cent on the 30th of April, and duly protested and appealed to this Department, you would have been entitled to a refund under the 20th section.

I am of the opinion that the brandy in question, if now withdrawn for consumption, would be liable to the duty imposed by the act approved June 30, 1864.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To S. L. DURYEE, Esq.,
341 Broadway, New York.

FELT LEATHER SHOES.

Treasury Department, October 21, 1864.

SIR:

Messrs. SCHACK & HOTOP have appealed, (No. 2,393,) under date of October 15, 1864, from your decision assessing duty of 24 cents per pound and 40 per cent ad valorem on certain so-styled "felt leather shoes," and claim that under

existing laws said goods are only liable to a duty of 35 per cent; that no provision having been made in the last tariff of June 30, 1864, for shoes, they should be classified under the tariffs of March. 1861, section 22, and July, 1862, section 13, the former imposing 30 and the latter 5 per cent.

The appellants further claim that the greater part of the article in question. being loose hair, and the material of chief value being leather, it is unfair to classify the article as a "manufacture of wool."

The experts of the customs have decided that the shoes in question are manufactured of hair, leather, and *wool*.

Shoes are not provided for by *name* in the existing tariff laws. The 2d subdivision of section 5, act of June 30, 1864, provides for a duty of 24 cents per pound, and 40 per cent ad valorem, "on clothing ready made, and *wearing apparel of every description* composed wholly or *in part of wool*, made up or manufactured wholly or in part by the tailor, seamstress, or manufacturer, except hosiery."

The article being "wearing apparel" composed "*in part of wool*," made up wholly by the manufacturer, and not of the class of wearing apparel known as hosiery, is clearly provided for in the provision just quoted.

Your decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN, Secretary of the Treasury.

To SIMEON DRAPER, Esq., Collector, New York.

SATINS—APPLICATION TO RE-OPEN A RE-APPRAISEMENT.

Treasury Department, October 22, 1864.

GENTLEMEN:

Your letter of the 8th inst. is received, asking permission to have a re-appraisement of certain satins imported by you re-opened.

The satins in question were imported in the steamers "Kedar" and "Marathon," were invoiced at 3.50 francs per aune, and were appraised by the local appraisers at 4 francs per aune, from which you appealed.

In the absence of the general appraiser from the port of New York, two experienced merchants, familiar with the character and value of the goods in question, were appointed to appraise the same, who, after an examination, reported the market value to be 3.90 francs, which exceeded by 10 per cent or more the value declared on the entry, thereby subjecting the satins to an additional duty of 20 per cent ad valorem, under the 23d section of the act approved June 30, 1864.

The law declares "the appraisement thus determined shall be *final*, and deemed and taken to be the true value of said goods, and the duties shall be levied thereon accordingly, any act of Congress to the contrary notwithstanding," and these appraisements should be considered final and conclusive, unless there are peculiar circumstances making them exceptional cases.

From the statement of the appraisers submitted by you, it does not appear that they regard the re-opening of the case necessary or proper; they merely express a desire that the penalty may be remitted.

I have no authority under the circumstances to order a re-opening of the re-appraisement, or to direct the remission of the additional duty.

It is a popular misapprehension to suppose that the imposition of the additional duty of 20 per cent under the 23d section above referred to, is evidence of fraudulent intent upon the part of the importer. This is far from being true. The real intent of the section is to protect parties innocent of any attempt to defraud the revenue, but who have not been sufficiently mindful of the laws, and whose neglect might otherwise entail the seizure and confiscation of their goods.

I am, very respectfully,

W. P. FESSENDEN, Secretary of the Treasury.

To A. PERSON & HARRIMAN, New York.

CLOTH GLOVES.

Treasury Department, October 25, 1864.

SIR:

Messrs. WINZER & TAILER have appealed, (No. 2,368½,) under date of September 17, 1864, from your assessment of duty, at the rate of 40 per cent and 24 cents per pound, on certain "cloth gloves" imported by them per steamers "Bavaria" and "America."

It is understood that the gloves in question were originally reported by the appraisers as "woolen cloth gloves," and duties were assessed accordingly. The entries were finally liquidated on the 11th and 19th August, and the excess of the deposits made refunded to the importers, without any notice of dissatisfaction on their part.

It is true, as alleged by the appellants, that subsequently the appraisers adopted a different classification (viz.: "woolen hosiery") for similar goods, under which they became liable to 30 per cent and 20 cents per pound; but the appellants having omitted to protest and appeal, conformably to section 14 of the act approved June 30, 1864, from the decision of the collector on their importations per steamers "Bavaria" and "America," are not entitled to relief under said act.

Your decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To SIMEON DRAPER, Esq.,
Collector, New York.

CARPETINGS—PENAL DUTY.

Treasury Department, October 29, 1864.

SIR:

Your appeal, (No. 1,936,) dated June 6. 1864, from the decision of the collector at New York, imposing the penal duty of 20 per cent and 50 per cent thereon, under joint resolution, on your importation of certain carpeting per "City of Cork," is received.

You state as follows: "On the 20th day of May I entered at the port of New York, through my attorneys, one bale of *samples* of Brussels and velvet carpets, which the appraisers advanced 58 per cent, claiming that they should have been invoiced at the same price as piece goods, less 10 per cent discount. Being in want of my samples, I could not wait the delay of re-appraisement; the collector delivered me the goods on payment of duties and penalty, which I have paid under protest, claiming that the duty, being specific—only a portion of the invoice paying more duty than at the prices entered—only this portion should be subject to penalty. Also, the resolution of Congress, passed April 29, assessing 50 per cent additional duty, does not apply to penalties, and that the penalty should be 20 per cent, and not 20 per cent with 50 per cent added, as I have been compelled to pay."

The question growing out of your appeal, to wit: Does the penal duty attach where goods are undervalued 10 per cent or more, but where such undervaluation does not affect the rate or amount of duty, has been most carefully examined.

The Solicitor of the Treasury, to whom it was referred, reports that, in his judgment, the question "must be answered in the affirmative in all cases where the article is one the duty on which is regulated by the value of the square yard or other parcel or quantity. Carpeting is such an article, inasmuch as it is subject to one rate of duty if worth less than a certain price per square yard, and to a different rate of duty if worth more than that price."

The collector at New York reports as follows: "The language of the law being 'that in *all cases* where the actual value to be appraised * * of any goods * * or *wherever the duty is regulated by* * * * *

the value of the square yard * * shall exceed by 10 per centum,' &c. The measure appears to be 10 per cent, not such a percentage as would change the classification."

I concur in the opinions above expressed, and hereby affirm the decision of the collector.

With regard to the imposition of the 50 per cent on the penal duty of 20 per cent, the collector at New York was instructed, under date of June 22, not to exact it, and you are consequently entitled to a refund of the amount so paid.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To W. I. P. INGRAHAM, Esq.,
Philadelphia, Penn.

THE BOOK TRADE.

The Hand-Book of Dining; or, Corpulency and Leanness Scientifically Considered. By BRILLAT SAVARIN, author of the "Physiologie du Gout." D. APPLETON & Co., 443 and 445 Broadway, N. Y.

IT would, of course, be impossible to form any estimate of the numberless ills, aches, and ails the flesh is heir to, which arise solely and simply from an unwillingness to give a proper attention to the subject of diet. The stomach is a little laboratory, where all the various ingredients, compounded oftener with reference to the titillation of the palate than to the requirements of the body, meet together and commence a process of disintegration and reintegration, distilling, fermenting, and continually manufacturing those compounds, which permeate through every member, carrying health and life or disease and death, as the case may be. To find out how in this internal laboratory proper substances may be formed, and the formations of improper ones avoided, is the object of this little book, and certainly no inquiry can be more practically interesting to every one.

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THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

APRIL, 1865.

THE HOUSE OF HAPSBURG IN AMERICA.

By Professor Andrew Ten Brook.

A castle built in the beginning of the eleventh century on an eminence overlooking the river Aar, in the Canton of Aargau in Switzerland, called the Castle of Hapsburg, was the residence of the Counts of that name. The member of the family who built this castle was Bishop of Strasburg, and he doubtless enjoyed many a day in the vicinity in pursuits and pastimes which the bishops of the present age do not deem quite consistent with their sacred functions, and which, to say the least, could contribute but slightly to the welfare of the flock. Some attempt to trace this family back to the Old Romans, and while no one doubts that it had an ancestry somewhere, even anterior to their day, yet the accuracy of the genealogy given may be questioned. The line is, however, traced with probability to the seventh and with certainty to the eleventh century; but the particular person of this house whose fame reached such a pitch of eminence as to make it known throughout the civilized world, was born in the year 1218 of our era, and is known in history as Rudolph of Hapsburg.

Our eccentric statesman, John Randolph, of Roanoke, is said to have replied to some members of the House of Representatives, who talked much of the advantage to posterity of their schemes of legislation, with the sarcastic question: "What has posterity ever done for us, that we should do so much for it?" This solecistic sarcasm contains much truth when applied to the subject of this sketch, for, great as is the deserved fame of Rudolph of Hapsburg, derived from his personal deeds and those of his ancestry, yet its lustre is augmented a hundred fold by the wonderful history of his posterity.

Rudolph's father followed the standard of the Emperor Frederic II., to whom he was distantly related. He finally caught the contagion of his time and determined to sail for the Orient. He called together his sons and said to them: "Be mindful that the Counts of Hapsburg did

not attain their height of reputation and glory by fraud, insolence and selfishness, but by courage and devotion to the public weal. As long as you follow their footsteps, you will not only retain, but augment, the possessions and dignities of your illustrious ancestors." He embarked at Marseilles with thirty barons in his train for Ptolemais, found on his arrival that a truce had been concluded with the Saracens, and, dying at Askalon, in 1240, his mortal remains found their resting place in the Holy Land.

RUDOLPH, by his own judicious management, extended his paternal inheritance on the Upper Rhine, and in the Swiss Cantons. His uprightness, his courage, and his infallible tactics as a military leader, created a demand for his services as protector of free cantons or cities, or as umpire in cases of dispute. His generosity, frankness, and contempt of etiquette when some higher purpose rose to view, made him a general favorite. As Count of Kyburg, a castle near Zurich, he had neglected to pay homage to the Abbot of ST. GALL, who claimed its lordship. The prelate marched with a force to exact this duty. RUDOLPH was ready with knights and infantry to repel the attack, when a message from his friends in Alsace informed him that the citizens of Basle, headed by their bishop, had, at the close of a tournament, massacred several of his relatives. He called his confidential followers and addressed them to the following effect: "I am drawn by my interests in one direction, and by the entreaties of my friends in another. I have refused homage to the Abbot for these fiefs, because they are my inheritance from my uncle. But if a man has two powerful enemies, he should be reconciled to one of them. If you agree with me that it is nobler to avenge injuries done to friends, than to pursue one's private advantage, let us make peace with the Abbot." They favored the measure, and proposed an arbitration. He replied: "There is no need of arbitration. The business must be settled at once, and I will be my own mediator." He rode with six attendants to the Abbot's camp, where he found the latter and his associates at dinner. His frank, gallant and noble bearing captivated them all, the quarrel was at once settled, and he was invited to dine with his enemy. He related at the table the sad issue of the tournament at Basle, and declared that he was compelled to neglect other considerations in order to avenge himself on these people and their Italian bishop. Such was the effect of his address, that the force which in a few hours would have met him in deadly conflict, became his allies. They compelled the citizens of Basle to deliver hostages in pledge of satisfaction, and concluded a truce of twenty-four days, and there, encamped under the walls of the city, they were waiting the expiration of the time. One night at midnight, RUDOLPH'S nephew, FREDERIC of Hohenzollern, came to his tent with intelligence that the Electoral College of the Empire had made him King of the Romans. At first he deemed this a joke and an insult, but finally, satisfied of its truth, he gladly accepted the proffered dignity. The tidings spread. The people of Basle opened their gates, saying that they had "made war against the Count of Hapsburg, and not against the Roman king;" and the bishop made the not very reverent exclamation: "Sit firm, Lord God, or RUDOLPH will seize thy throne." *

* Sede fortiter, Domine Deus, vel locum RUDOLFUS occupabit tuum.

Various circumstances had determined the election of an insignificant Count over mighty kings. WERNER, Archbishop elect of Mentz, had made a journey to Rome, in order to receive confirmation and his pallium at the hands of the Pope. RUDOLPH had protected him by an escort through the Alps, then infested with robbers, and on his return magnificently entertained him. The prelate, deeply impressed with this behavior, resolved to reward it. Being one of the imperial electors, he had now the opportunity. RUDOLPH had marked personal qualities to recommend him. He was perhaps the greatest strategist of his age. He is supposed to have re-introduced pontoon bridges, which had been unknown from ancient times. His just, generous and noble traits fitted him to deal with that state of anarchy which had resulted from a virtual interregnum of more than twenty years—a state of things which contemporaries have aptly described in the words of Scripture: "In those days there was no king in Israel, and every one did that which was right in his own eyes." The other two spiritual electors were privately brought over to the views of the Cardinal Archbishop of Mentz. Other motives might control the temporal electors, and others were offered. RUDOLPH had six unmarried daughters. Such a possession has sometimes proved a fortune, and sometimes a source of torment. In this instance it was the former. Two of the electors were in a condition to form matrimonial alliances with the new candidate for the imperial dignity. RUDOLPH's friend and relative, FREDERIC of Hohenzollern, took it upon him to urge these views to the electors, who were also influenced by the fear that in the other candidates they were in danger of finding masters rather than correctors of existing abuses. They declared for RUDOLPH, and the electors of Brandenburg and Bavaria immediately married daughters of the Emperor.

OTTOCAR, King of Bohemia, at the time the most powerful monarch in the Empire, was of course displeased. During the long period of anarchy, he had by usurpation added to his kingdom of Bohemia and Moravia, the duchy of Austria, with Styria, Carinthia and Carniola. These lands had been declared by FREDERIC II. vacant fiefs of the Empire, hereditary in the Emperors. They embraced a tract extending from the spurs of the Carpathians on the north, through the Alps, to the Adriatic on the south. He was called upon to restore these lands and do homage for his own hereditary kingdom. This would have been humiliating on any supposition, much more so, if it is true, as maintained by some, that RUDOLPH had once been in OTTOCAR's service as master of his horse. The king refused compliance, and insulted the new emperor. He declared that the election of a man who had once been excommunicated by the Pope—for such was RUDOLPH's case—was unlawful. But, beaten in battle, the haughty sovereign yielded his claim to the other states, and consented to do homage for Bohemia, but besought that it might be in secret in the imperial tent. His request was granted, and he repaired thither all glittering in gold, and found the emperor in plain clothes—and the clothes revealed the men. In the midst of the ceremony, the sides of the tent were raised, so as to exhibit the proud OTTOCAR on his knees before his late despised rival. The wound was too deep to heal. The King of Bohemia soon broke the peace and fell in battle.

Thus the founder of that house which at the present day still reigns over the Austrian Empire, a scion of which has just been transplanted to

our own Continent, was established upon the throne of those lands which formed the nucleus of that Empire. His right was no more called in question. The whole empire felt his healing touch. His son ALBERT succeeded him in Austria, but not immediately on the imperial throne; for, unlike his father, he was of harsh and imperious temper and manners. He was, however, still raised to the throne of the Empire on the death of his father's immediate successor, ADOLPHUS of Nassau. It was in the reign of this ALBERT that the three forest Cantons of Switzerland—Uri, Schweitz, and Unterwalden—struck for independence, and gave rise to that marvelous history, which, as embodied in SCHILLER'S tragedy of WILLIAM TELL, has thrilled so many hearts, but which would, to this day, be very unpalatable to the Hapsburgs. RUDOLPH himself had held the patronage of these Cantons, but he humored their love of independence, and did not interfere in the details of their government, which ALBERT attempting to do gave rise to the Swiss Confederation, now five centuries old, and a perpetual protest against European despotisms. He was assassinated in the year 1308, by a conspiracy headed by his nephew, just as he was entering Switzerland to enforce his demand; and, seven years later, his son LEOPOLD was signally defeated by these Cantons in the battle of Morgarten.

Previous to the year 1457 the imperial dignity had been distributed among the reigning houses of the Empire; from that time it remained in the house of Hapsburg until 1804, when Austria itself assumed the rank of a hereditary empire. The house culminated in CHARLES V., who united in his own person Austria with its dependencies, the Netherlands and Franche Comté, Spain with her vast American possessions, and considerable territory in Italy, to all which was added the imperial throne, at the age of nineteen years. His grandfather, MAXIMILIAN, was his predecessor, and governed the Empire at that interesting period when LUTHER'S first movement broke its long though turbulent monotony. CHARLES succeeded him in 1519. A prince more powerful and politic never sat upon a throne. He kept faith only when counseled by policy. He knew his contemporaries. FRANCIS I. had been his rival for the Empire, and was still his competitor for European power. HENRY VIII. of England was the only sovereign able to turn the balance in his favor. He trampled upon etiquette in order to visit HENRY on his way to his own coronation. Wary and observing beyond his years, he perceived that WOOLSEY governed the English monarch and that ambition governed WOOLSEY; he accordingly promised the prelate that he should have the papal chair when it became vacant. The vacancy seemed distant, for LEO X. was still young, but he died soon. The promise, however, had served its end, and needed not therefore to be fulfilled, especially as the dignity could, as he thought, be more safely bestowed. LEO was succeeded, therefore, by ADRIAN BOYENS, Professor at Louvain, CHARLES' old tutor. He would have put down the Reformation at once, but he desired to hold it as a scourge over the Pope, and as a bait for the goodwill of the princes of the empire who favored the Reformers. His army in Italy seized the Pope's person, acting doubtless on his authority, but when he found the measure unpopular, he disavowed it, went in mourning, and ordered prayers for His Holiness' release. The Holy Father was soon at liberty, but the case was not decisive as to the efficacy of prayer. When he became ready to

put down the Reformation—that is, when it agreed with his plan to do so—he remorselessly seized the immediate successor of the very prince to whom he doubly owed his elevation—for the imperial dignity had first been offered to FREDERIC the Wise of Saxony, who declined it, and caused it to be given to the youthful CHARLES. He subjected the Elector to a mock trial at the gates of Wittennberg, before the infamous Duke of ALVA, and made his life depend upon the opening of the gates by the Elector's family, who were within. He saved his life indeed, but gave his dominions to the Protestant Prince MAURICE, who promised to be his supple tool. He seized the Landgrave of Hesse, the only prince on the Protestant side who did not yield, and held him a perpetual hostage. He governed the States of Germany as if they had been his hereditary dominions. MAURICE proved, indeed, too shrewd for him, and was the first to beat him at his own game of dissimulation. He knew that CHARLES could not be trusted. He saw the imperial plans through their disguise, and having won his confidence, he obtained the command of the army which was to have been used in enforcing the Interim,* that is in putting down the Reformation. MAURICE had, however, a private understanding with the Protestant Princes, and a secret treaty with HENRY II. of France, that the latter should enter Lorraine at the same instant that he should march against the Emperor. He managed so adroitly that CHARLES never entertained the slightest suspicion until he was within two hours march of Innsbruck, where His Imperial Majesty was quietly waiting and watching the progress of the Council of Trent, then in session on the other side of the mountains. Suffering from gout, and unable to ride, he escaped upon a litter, under cover of a dark and stormy night. He was thus borne through by-ways to the alpine village of Villach in Carinthia. Having narrowly escaped capture by his own army, he was, of course, ready to give the Protestants the free exercise of their religion by signing the treaty of Passau, which was brought to him in his mountain retreat. CHARLES never recovered from this shock. The Pope and the Catholic powers could not trust him; the Protestants of course could not; he made some ineffectual attempts to recover himself; but finally chagrin and the gout wrought together to bring him to the magnanimous resolution to resign his vast dominions and cares. On his accession to the Empire, he had given up Austria to his brother FERDINAND, and the Electors had appointed the latter to succeed him on the imperial throne. He tried several times to persuade his brother to relinquish this succession to his son PHILIP—the aggrandisement of his immediate family being his great motive, when the hope of his own was past—but when he found this impossible, and his imperious counsellors, gout and chagrin, pressed him sorely, he abandoned his honors and retired to the walls of a convent, where, like the dying wolf, he doubtless sought to find a balance against his many acts of arbitrary rapacity, in the many supposable ones which he had not committed. The review of the reign of this Hapsburg, and that of PHILIP II., has led the thoughtful student of history often to contem-

* CHARLES, assuming to control alike spiritual and temporal matters, got up a system of religious doctrine and church order, somewhere between those of the two parties, which was to be made obligatory until the final determinations of the Council of Trent could be known. This was called the "Interim."

plate with gratitude Europe's narrow escape from the scenes enacted on the narrower stage of the Netherlands, so finely portrayed by SCHILLER, and recently by our own MOTLEY. Even the reputation which his supposed austerity in the monastery of Yuste had won for him, has all been dissipated by the discovery of his correspondence, showing that even in that retreat, his time and faculties were divided between political scheming and gormandizing.

FERDINAND, by marriage with ANNE of Hungary, inherited that kingdom in 1526, together with Bohemia, Moravia, Silesia and Lusatia, and in this augmented dignity originated the title of Archduke, which still remains in the family. This extensive domain, with numerous additions, after various cessions and retrocession, continues in the family to this day. There is not in the whole civilized world another instance of so great diversity of character, language and religion crowded together within the same space. It is as if the period of the northern migrations had been a vast inundation, during which this whole range of country, permeated by the Danube, embracing the mountains and valleys of the eastern Alps, the Carpathians, the Giant and Pine mountains and Bohemian forests, had formed a series of innumerable eddies, in which this human drift of all kinds had been collected and whirled round until the waters subsided and left it all there, where it still lies not yet assimilated, nor likely to become so. The population of France, though as large as that of Austria, has become all French, with but slight mixture on the side of Germany and Italy. The two latter, though always under numerous independent governments, have each been one people in language and feeling, with a slight exception in eastern Prussia. In Germany and Italy independent sovereigns have striven to keep their subjects from becoming one, lest they should lose their thrones; but in Austria the one sovereign has made the most violent efforts, that too all in vain, to unite and harmonize his subjects.

Austria lay on the frontier of Europe, next to the Ottoman Empire. Its name, Oesterreich, the Eastern Empire, is significant. The germ of those dominions over which the Hapsburgs now reign, was formed in the time of CHARLEMAGNE, in the year 800, by a militia force which guarded the eastern frontier of his empire from the incursions of Asiatic tribes. Several centuries later it was increased by the territory above the river Enns, and became a duchy, around which continued, from time to time, to cluster the various lands which have finally made up the Austrian Empire, the whole taking the name which the little Margraviate had received as being the eastern limit of CHARLEMAGNE'S dominions.

Aggrandizement has been the motive of this family, just as of all other governments, both monarchies and republics, unless it be such as the Republic of San Marino, or the Duchy of Lichtenstein, which lie below the level where ambition figures. This idea is nowhere more active than in our own Republic, and none boast so loudly when traveling abroad of the extent, wealth and intelligence of their country as our own citizens. Each feels that he has a personal share in the toil and glory of this aggrandizement, while in Austria it belongs to the Hapsburgs, and the private person seldom feels his heart swell and expand with this thought.

The distinction, then, between the House of Hapsburg and any other sovereign power, is not to be sought in this desire for national aggrandizement, but in the principles and policy by which it is pursued. The

sovereigns of this family have been much governed by a policy of oppression and narrow-minded restrictiveness. Apparently changing with the changes in events, it has remained nearly unchanged. FERDINAND I. seemed more liberal than his brother CHARLES. We can scarcely doubt that he was so. But as a party to the treaty of Passau, he was moved by a feeling of jealousy of his brother's power, and by the necessity of the Elector MAURICE's aid against the Turks in Hungary. As the bone in the wolf's throat was mercy to the lamb, so FERDINAND's fears and necessities were liberality to the reformed party in the Empire. He received the Jesuits into his dominions, but did not adopt their counsels for the extermination of Protestantism. Similar causes dictated a similar policy until the opening of the thirty years war changed the aspect of things. The Protestant armies held the capital of Bohemia and threatened Vienna. Two hundred years had not killed out the seed sown by JOHN HUSS and his compeers. Indeed, the Protestants were the strongest party in Bohemia and the neighboring lands of Silesia, Lusatia, and Moravia, and were strong in the duchy of Austria itself, as also in Styria, Transylvania and Hungary, and were in open rebellion, already well-nigh triumphant. But by the battle of White Mountain, in 1620, Prague and all Bohemia fell into the hands of FERDINAND II., who but the year before had succeeded to his hereditory dominions and the imperial throne. This prince had been educated in the Jesuit College at Ingolstadt. His education but nourished the superstition of his nature, He gave the Jesuits the problem of bringing his Bohemian subjects back to the bosom of the church. They required the people to observe the church ritual. It was a short process of reduction to a common denominator, and the rule was quite distinct. Each family must appear in the church in an order to be regulated by their house numbers. To the charge of non-attendance they could plead that their number or their day was not that contained in the indictment, or something else equally decisive of their true religious state. Moreover, a military force accompanied the reformatory agents, and where submission could not be obtained, the scaffold settled the question. Confiscations and martyrdoms flung terror in all directions, and voluntary exiles deprived the kingdom of 30,000 of its best families, with all their servants and retainers, while their forfeited estates rewarded the agents of this desolation. As a still further reward, the Emperor endowed sixteen colleges for the Jesuits within his Austrian dominions. What body of men would not work well for such pay? The monarch rather than the missionary should be charged with the result. The Inquisition never acted with more rigor, nor was a policy more ruinous to a country's best interests ever pursued. Three-fourths of the people of Bohemia had been heretics, and their heresy was extinguished. Death was the lightest punishment inflicted. Far worse was the indiscriminate abandonment to the license of a soldiery who might gratify every lust and then turn their victims penniless upon the world to wander in hourly apprehension of further vengeance, forbidden to use their native language, to exercise their trades or professions, their marriages declared unlawful, and their children illegitimate. If any escaped the vigilance of these itinerant reformers in their first round—and this would doubtless occur from sheer weariness and satiety of the lusts of the agents—they had slight cause to congratulate themselves; for their tormentors might be expected to return with

appetites whetted to greater keenness. Bohemia had been perhaps, in the fourteenth and fifteenth centuries, more than any other land, the light of Europe, and its great light had been the University of Prague. FERDINAND gave this to the Jesuits, and its light was extinguished; and from being the first of Universities it has nearly lost its character as a seat of learning. This country had had a glorious history for more than two centuries before these events. Its written memorials were still to be found in many a house in the kingdom. All traces of this history were, so far as possible, obliterated, that the people might forget whose children they were, or rather what their fathers had done. Any monument of their former glory might become the rallying point of new aspirations, and none must therefore be left. Hence it has happened that the history of JOHN HUSS, JEROME of Prague, and JOHN ZISKA, had been, until within a few years, so imperfectly written. The flames which had consumed the bodies of the children, had destroyed also the memorials of their fathers' deeds. Few besides those which had already reached other countries, and were there preserved, escaped the fire. As printing was not yet known in the days of the Hussite war, these books were not greatly multiplied, and it is but recently that enough of these have been recovered to write this history with tolerable fullness. From the days of FERDINAND II., Bohemia has been scarcely known in the history of the world.

FERDINAND pursued the same general policy, though less vigorously in the rest of his dominions. He attempted to introduce it throughout the German Empire. He authorized the Catholic sovereigns of Germany to enforce their subjects' return to their own faith, as he had done. He published the so-called edict of restitution, requiring the restoration of all the ecclesiastical property which had been secularized since the peace of Passau. But he went too far. He awakened enemies who would otherwise have been his friends, or remained neutral. He aroused the apprehension of even Catholic sovereigns. The Catholic league headed by MAXIMILIAN of Bavaria, refused to sustain him, although he had rewarded this prince with the Palatinate which he had taken from the weak and unfortunate FREDERIC, son-in-law of JAMES I. of England. His grand plan was to exterminate protestantism, which he regarded as identical with rebellion. He looked upon any means necessary to the accomplishment of so beneficient a work as justified by the great end to be achieved. In attempting to negotiate with the electors of Saxony and Brandenburg, he represented the contest as not a religious one. In treating with Catholic France, he allowed the approaching war to be regarded as one demanded by the interests of the Church and depicted the common danger to France from the Hugenots, and the German empire from the Protestants. But his plans, if not fully penetrated, were still viewed with apprehension and even alarm. The German Catholic powers moved first. This emboldened the Protestants. They called upon FERDINAND in 1629 to convene a diet at Ratisbon. Here they insisted upon certain concessions, which, though humiliating, he granted, in the hope that his son would be immediately elected to succeed him on the imperial throne, CARDINAL RICHELIEU, jealous of the growth of the House of Hapsburg, sent thither an ambassador and outwitted His Imperial Majesty. The latter made the concessions, and *still* the diet was dissolved without his son's election.

At the very time that RICHELIEU was treating with FERDINAND, he was also closing a treaty with GUSTAVUS ADOLPHUS, King of Sweden, against the house of Austria, and in June, 1630, that wonderful man landed in Pomerania on the South shore of the Baltic. The Emperor despised, but soon learned to dread this new enemy; for before the close of 1631, all Bohemia was again in the hands of FERDINAND'S enemies, the exiled nobles were returning and reclaiming their forfeited estates, the forced converts were resuming the forms of worship which they had been compelled to renounce, and this truest type of the Hapsburg family found himself involved in a war of which he was destined never to see the end. It had raged ten years, when instead of closing, its earnest realities were just about to commence. How little this man knew what trains he had set in motion! By reasonable moderation in 1620 he might have left his house in the enjoyment of a power and a splendor, nay, even a control in matters of religious faith, which his more liberal son would have loved in vain to establish in the peace of Westphalia, after 28 years more of the most desolating war that ever ravaged the extent of the German Empire. This war was the great theatre of the genius of GUSTAVUS ADOLPHUS, and his wise Chancellor OXENSTIERN—of Count TILLY, whose name is the best synonym for cruelty to the population of cities taken by siege—of WALLENSTEIN, not one of the greatest generals, but one of the most enigmatical characters, which has ever appeared as general. It was too a theatre for the display of the artful diplomacy of Cardinals RICHELIEU and MAZARIN. For this whole devastating and embittering struggle, FERDINAND II. was mainly responsible, and although MAXIMILIAN of Bavaria was head of the Catholic league, which generally co-operated with the Emperor, the latter was the soul of the war which began with his accession and continued 11 years after his death. The German Protestants have given the name of GUSTAVUS ADOLPHUS unions to their missionary societies formed to sustain feeble Protestant churches in Catholic lands. This is at least in bad taste; for GUSTAVUS was not the peaceful messenger of the glad tidings, but the martial defender of his party's rights. Neither party is at the present day disposed to put this question to the test of arms, but if they were so disposed, they could not rally under more appropriate names than those of GUSTAVUS ADOLPHUS for the one, and FERDINAND II. for the other.

These two men, were each in his way, equally devout. When the tide of a hard contested battle turned in his favor, the King of Sweden would drop upon his knees amid the unsettled dust and smoke and the bodies of the slain and return his fervent thanks to God for the victory. So FERDINAND, when in 1619 the Protestant forces, masters of Bohemia and Moravia and most of the duchy of Austria, were at the Gates of Vienna, with scarcely less than a certainty of its capture, BARTHOLOMEW VALERIUS, the Emperor's confessor, entered his private cabinet at the moment when he had finished his devotions, and FERDINAND said to him: "I have reflected on the dangers which threaten me and my family, both at home and abroad. With an enemy in the suburbs, sensible that the Protestants are plotting my ruin, I implored that help from God which I cannot expect from man. I had recourse to my Saviour, and said "Lord Jesus Christ, thou Redeemer of mankind, thou to whom all hearts are opened, thou knowest that I seek thy honor and not my own. If it be thy will that I,

in this extremity, should be overcome by my enemies, and be made the sport and contempt of the world, I will drink of the bitter cup. Thy will be done!" I had scarcely spoken these words before I was inspired with new hope, and felt a full conviction that God would frustrate the designs of my enemies."

His life was consistent with this prayer. He bore adversity with the fortitude of a saint. His arrogance in prosperity was but a different manifestation of the same feeling. An affected or real humility fostered by his educators, led him to admit the poor and even beggars to his presence, and that too though they might be infected with the plague. He got up entertainments for the poor and served them himself. He purchased Christian slaves from their African masters. He hired advocates at his own expense for the needy before courts of justice. And yet his was the age marked in the history of Germany above all others for cruelty in religious persecution, and he the man personally responsible for it. That a man of so mild and clement a natural disposition could cherish at the same time the cruel feellings which wasted the fairest lands of his Empire, is a mystery which can only be solved by studying the times, the strong antipathies and bitterness which arose from LUTHER and the Reformation, and the strong and thoroughly organized counter-movement directed by the Society of Jesus. In this, FERDINAND II. stands revealed. The reign of this monarch has been fully sketched, because he is a kind of type of his house since the Reformation, including even its present representative, FRANCIS JOSEPH I. The others have only been less marked and extravagant instances of that superstitious, narrow-minded and bigoted policy, which had its highest manifestation and received its great rebuke and final check in the German Empire in FERDINAND II. Since his days this policy has reigned only at home within the Austrian dominions, and even there has been more modest.

The reader is to understand that we picture persons, or at most dynasties and not Catholics or Catholic sovereigns in general. How have the liberal Catholics of Italy and of the whole continent of Europe regarded the policy of the House of Hapsburg, both at home and in the Italian peninsula? In 1848 the Grand Duke LEOPOLD of Tuscany promised his people a constitution and a liberal government and began the execution, when the house of Hapsburg forbade and stopped the movement. In the spring of 1861 we heard Dr. DOELLINGER, of Munich, who has very few equals among Catholic divines, lecture on the temporal power of the Pope. He is marked with the ultramontane school, and yet he remarked that of all the *possibilities* in regard to the future of Italy, the restoration of Austria's ascendency was most undesirable.

(To be continued.)

THE LEGAL TENDER ACT.

By Albert Stickney, Esq.

The Legal Tender Act of February 25, 1862, has been by several of the State courts pronounced constitutional. Very possibly the Supreme Court of the United States will also pronounce it constitutional. Yet even then, if men generally feel certain that the measure was an unwise one, and doubtful whether or not it was a constitutional one, any resort in the future to such means for providing Government funds might be prevented. The subject is not therefore, even though it is well nigh put at rest for the present by decision, devoid of interest for discussion.

The act provides that the Treasury notes therein authorized to be issued, commonly called Greenbacks, "shall be lawful money and a legal tender in payment of all debts, public and private, within the United States, except duties on imports and interest as aforesaid," *i. e.*, interest on the public debt.

Is this act constitutional?

The 10th amendment to the Constitution reads thus: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." This then is clear; the power, to be vested in the Congress of the United States, must be "delegated" to Congress by the Constitution.

Not as was the case with the Congress under the old confederation, there were given to Congress under the new Constitution all the powers which naturally belong to the legislative body of a genuine government. There are the powers "to raise armies," "to provide a navy," and lastly the power "to make all laws which shall be necessary and proper for carrying into execution" the other expressly granted powers. For the execution of these powers of a national government, raising armies, maintaining a navy, constituting courts, and others, money must be had. This power to pass a Legal Tender Act, if brought or attempted to be brought, under the power "to raise armies," must come under some of the powers to *raise money for the purpose* of raising armies. If brought, or attempted to be brought, under the power to "maintain a navy," it must come under some of the powers to *raise money for the purpose* of maintaining a navy. And these powers of *raising money* are specially defined and given. Under some of these *money powers*, then, must we find the power to pass this Legal Tender Act, or not at all. And if we do not find it at all under them, it does not exist.

These money powers given by the Constitution to Congress are these: "To lay and collect taxes, duties, imposts, and excises;" "to borrow money on the credit of the United States;" and "to coin money, regulate the value thereof, and of foreign coin." These are the only powers given to Congress, under the Constitution, for the purpose of raising money for carrying on the general Government. They will be considered, not in the order in which they are enumerated in the Constitution, but in the order which suits the course of argument here pursued.

The first one is the coinage power, reading in the Constitution "to coin money and regulate the value thereof." And this clause alone will be first considered.

At common law, before the Constitution was formed or dreamed of, coined metals had always been recognized as money; *i. e.*, metals weighed and stamped by the authorities having the power so to weigh and stamp them. Other articles, too, may have been at times legally or illegally considered to be money. That is immaterial to us at present. Coined metals were so considered. Courts of equity, when they decreed damages, in cases where courts of law would not decree them, always decreed damages in money. But it was necessary to have the standard of money uniform. The Constitution then did not touch the point of what should *be* money; coined metals already were so; nor did it give Congress power to touch the point of what should *be* money; but the Constitution gave Congress the power to coin what already was money; *i. e.*, to weigh and stamp the metals which, without any congressional action at all, were money already, and to regulate the value of them after they were so weighed and stamped. It is not then by virtue of the Constitution, or of Congressional legislation, that gold and silver coin *are* money, but *being* money, Congress has by the Constitution power to coin them and regulate their value after they are coined.

Nor is it by virtue of Congressional legislation that gold and silver are legal tender. Gold and silver, being at common law money, were at common law legal tender for contracts to pay money, and the payment of money was always decreed as damages by courts of law. The Constitution recognized this, and under the Constitution they still remained legal tender for contracts to pay money, and still remained the article in which courts were to decree damages. But of course the power must be some where to coin this money, and regulate the value at which it shall be legal tender, and at what rate courts of law shall decree its payment as damages, and this is the power given to Congress. Congress never in its legislation, whatever it may be said to have done, made gold and silver coin legal tender. Witness the titles of the acts it has passed. "An act *establishing a mint* and *regulating the coins* of the United States." The title of the act shows the intention of the legislation, and the act accomplished what the title showed the intention to be; and what the act accomplished Congress had the power to accomplish, and no more.

It seems clear then, if the preceding statement be correct, that under this clause of the Constitution no claim can be made as to the power of Congress to *make* paper money, or to do anything but "coin" money. But there is good authority for this statement. In the case of HAGUE *v.* POWERS, 39 Barb. 446, Judge SMITH in an opinion sustaining the constitutionality of the Legal Tender Act, says: "These two provisions construed together, most conclusively show, I think, that it was the purpose of the framers of the Constitution to give to the national Government exclusive control of the currency of the country, and to secure thereby one currency for the whole country, one national uniform currency. But that currency most evidently was to be a *metallic one.* * * * The national Government is to *coin* money, [the italics are in the original opinion,] *i. e.*, to fix the *national stamp* upon metals which are to be used as *money.* * * * The *money of the Constitution* was to be *hard money, metallic money.* It was to be *coined.*"

Still although we may succeed in establishing as a point of constitutional construction, and it is nothing more, that the power to make

Treasury notes legal tender can not come under this power "to coin money," yet another position is often taken which deserves notice. It is often claimed that the power to create money, or as it is called, "the control of the currency," is an inherent attribute of sovereignty. This may be true. But the question then occurs, is Congress "sovereign?" By the term "sovereign," as in this argument used, must be understood a government not merely supreme in the exercise of those powers which it possesses, but unlimited in the number of those powers. But it is not of such a government that Congress is the legislative assembly. The United States Government is supreme in the exercise of its powers, but the number of those powers is not unlimited. They exist only when conferred by the Constitution, and because conferred by the Constitution. The question then is not whether the power to create currency is a power belonging to a sovereign government, but whether it is a power belonging to this constitutionally created Congress. Whether the founders of the Constitution ought to have given Congress the power to create a currency is very different from the question whether they have given it, and this last is one of interpretation merely. The power to provide punishments for crimes is certainly a sovereign power, if there be such an one. Yet no one claims that Congress has this power, except in a very few constitutionally defined cases. Our inquiry must be, not what are sovereign powers, but what are congressional powers; and not what are unconstitutional acts of Congress, but what are constitutional powers of Congress. Chief Justice REDFIELD in a note in the *American Law Register*, for January, 1865, in favor of sustaining the act, says, "It seems to us, *upon any ground* of *a priori* reasoning *fairly conducted*, it was very obvious no such power as to create a legal currency and legal tender out of their own bills of credit was given." But on what other ground of reasoning is the Constitution to be interpreted than "a *priori* reasoning fairly conducted?"*

Nor will any one claim that this act is an exercise of the power to "lay and collect taxes, duties, imposts, and excises." In so far as it made United States taxes payable in these Treasury notes, it might be an exercise of this power; for Congress when laying a tax can undoubtedly say in what these taxes shall be paid. But the point now under consideration is not the making these notes legal tender for dues to the Government, but legal tender for dues from one individual to another.

We come then to the power "to borrow money on the credit of the United States." And if the act in question, that is, the part of it making Treasury notes legal tender for private debts to private individuals, can be brought under this power, it will stand. If it cannot be so brought, it would seem that it must fall. And here some points will at once be admitted as now beyond question, and which will clear our ground before us.

Congress has undoubtedly power to issue United States securities. The power "to borrow" surely gives, as a "necessary means," the power to give

* Immediately following this quotation Judge R. gives an argument in favor of the validity of the act, on another ground, which is not at present alluded to. This quotation is made for the one purpose which it here serves, not for the purpose of attacking Judge R.'s argument.

to the lender a certificate of indebtedness. The word "borrow" must include obtaining money from a lender, and parting with a liability to repay it. No one would pretend that Congress could not issue or authorize to be issued a certificate of this liability and a promise to pay interest, at any rate they think best.

Congress has, too, the power to say that these securities shall be received in payment of debts due to the Government. They can make a tax or duty payable in anything they choose; in gold, silver, copper, or paper. HAGUE *v.* POWERS, 39 Barb. 450.

Congress might, too, as far as any constitutional law is concerned, say it would use these securities with which to pay all the Government's own debts to private or public parties; for, under the Constitution, the only way to obtain money is by "appropriations made by law." Congress need not appropriate money unless it please. They have the sole power, in their discretion, to order the payment of United States monies; and, as a mere point of law, independently of the justice of the matter, they need pay United States debts only at their pleasure, and in any thing that may to them seem good.

But all these are plain and legitimate performances of congressional powers. If Congress deem it necessary to obtain money by borrowing, no one doubts that they may by an act authorize an officer of Government to negotiate a loan, to engrave securities therefor, to issue them, to promise to pay interest on these securities, to determine their denominations, and generally to provide all means proper for effecting a loan. But when the "borrowing" has been provided for, the power of Congress ceases. They can go no farther. After the money is borrowed, and the security issued, and after Government has parted with all its property in the security to the individual who has loaned the money, is not the borrowing finished? Can Congress then, by legislation, constitutionally say at what price this private individual shall sell that security? The security is his. Government has no longer any right in it. Judge DENIO in an opinion, not yet printed in the Reports, in the case of MEYER *v.* ROOSEVELT in the Court of Appeals of New York, says, "Was it ever before supposed to be incident to the contract of loan, that the rights of other persons, strangers to the transaction, were to be controlled or affected?" Can such a piece of legislation be justly called a necessary means to the act of borrowing?

But suppose it granted that Congress can fix the price at which these securities shall be bought and sold. Can they do more than that? The authority to "borrow" means an authority to receive money from a voluntary lender, and to give him security therefor. Does it include the authority to affect the rights of third parties? When the money is obtained and the security parted with, is not the act complete? Is it even the same thing as regards those securities, to regulate their price in money, and to make them money? Is it a necessary means to this act of borrowing, to compel a private individual, not the lender, to lose part of the debts due him, by allowing contracts to be performed contrary to their terms? Judge DENIO, in the opinion before cited, says of this power of borrowing, and of the making Treasury notes legal tender, "But it is a step far beyond this to require that all persons shall receive them in payment of all manner of obligations. This has no natural relation to the

contract of borrowing." "Either the borrower or the lender may insist on any stipulation to which the other will consent, and when the former is a sovereign State, it may agree to any concessions on its own part not inconsistent with its constitutional limitations, and insist upon imposing any terms upon the lender which it may be thought expedient to require, and to which he will consent. The arrangement of these mutual stipulations embraces all which is material, or which can be appropriately attached to the contract of loan. A provision which is to *control other parties not connected with the transaction*, to their loss, though to the advantage of the lender, cannot be appropriate, for it is foreign to the nature of the transaction, and has never before been employed in connection with such arrangements. * * * * As to being *needful*, *requisite*, or *essential*, it is not so in any sense which would enable the Government to impose on the citizens who should have business relations with the holders of the securities, conditions which would only conciliate such holders."

But does this provision, making the notes legal tender, hinder depreciation, regulate the price at which the securities shall be bought and sold, or have any tendency so to do? All legislation tending to restrain and control the ordinary course of trade, to more than a very slight extent, is generally evaded. But suppose that any legislation Congress might adopt for that object could be strictly enforced, and suppose such legislation to be constitutional. We might then allow that Congress could pass an act providing punishment for any one selling United States securities below their par value. Or we might allow that Congress could pass an act imposing a tax on all sales made below their par value of United States securities; a tax equal in amount to the difference between the price and the par value of the bonds. These would be acts of legislation, whether wise or constitutional, it matters not at present, at least looking directly towards the point to be gained. Of such acts there would be no doubt of the object.

But what is the result, which, from the nature of the case, necessarily would be gained, and which, as facts have shown, actually has been gained by making Treasury notes legal tender? Of course, if these notes depreciated, they would be tendered in payment of all debts and obligations incurred before the passage of the act. This would be certain. What other result possibly could happen? Would the depreciation of the notes be prevented? Men buy corporation stock and pay for it its market price, and no more. Men buy a private individual's note, and pay for it its market price, and no more. And men buy a nation's note, and pay for it its market price, and no more. After they have bought it, they will pay a debt with it, provided they can gain anything by it. But that will not make them pay any more for it than its market value. If Government issue so many bonds, or manage its finances in any point whatever, in such a manner that the commercial world thinks the chances are about one in two that the bonds will be paid, men will give about fifty cents on a dollar for them. This it is that determines their market value, and not the fact that they can be used to discharge debts. Men will not give par for the note of an individual when they think the chances are doubtful whether it will be paid. Nor will they give par for a nation's note, when they think, for any reason, there is the same doubt. After they have bought

these Government notes, they will undoubtedly pay their debts with them, if they can; but they will not, for that reason, pay a dollar for an article that they can buy for fifty cents.

Moreover, what had been the fate of every other scheme of the kind? It had been tried in France and failed. It had been tried in the American Revolution and failed. And where had it ever succeeded?

It was certain, from the nature of the case, that Government bonds could not be hindered from depreciating simply by making Treasury notes legal tender. No other result could have been forseen than the one which actually happened. Any intelligent merchant would have told Congress that this must be so. Any man, who had ever read a work on Political Economy, would have told Congress it must be so. Almost any school boy would have told them that it had been so. The paper would not, by being made legal tender. be hindered from depreciating, but creditors would thereby be deprived of their just dues. This last result was sure to follow, and it was sure that no other result would follow.

In the case of HAGUE *v.* POWERS, 39 Barb. 451, the court say, "If the argument is sound that Congress has power to authorize the issue of treasury notes, and to pay them out to public creditors, who will voluntarily receive them as a substitute for money, and that they are valid public securities, I cannot see why it does not follow, as a matter of course, that it has power, if the occasion will justify so extraordinary a measure, to declare their commercial value." It is as a measure to hinder depreciation, and, consequently, as a measure to the exercise of the power of borrowing money, that the legal tender act is often supported, and in this light alone we are now discussing it. If Congress intend to pass an act which shall be an exercise of the power to raise armies, it must provide some means necessary for the purpose of raising armies: it must provide for furnishing arms, or ammunition, or commissary stores, or quarter master's supplies, or for raising men. If Congress intend to pass an act in the exercise of the power to maintain a navy, it must provide for building dock-yards, making ship's guns, or iron plates, or something necessary for the purpose of maintaining a navy. It must be really fitted to accompiish the object which Congress has the power to accomplish. And if they pass a measure which depends for its validity on its hindering depreciation in United States securities, they must not pass a measure which very many men could have told them never would have that effect, which very many men could have told them never had had that effect when it had been tried, and which surely would have the effect of taking a certain amount of money from one individual and giving it to another, and no other. This act does not hinder depreciation. It could not hinder depreciation. It may be a certain convenience for Government to provide a paper currency for the country, and Government undoubtedly does raise a certain amount of money by the use of this legal tender. But it raises this money not by borrowing it, but by creating it; and this power of *creating* money never was given by the Constitution to Congress; and the framers of the Constitution, wisely judging that the exercise of this power by any branch of a government, was disastrous, not only did not give the power to Congress, but expressly prohibited it to the States.

A point of history may throw some light on our question. Consider what was the state of affairs under the articles of confederation, and what

money powers consequently then were necessary, and what was the state of affairs under the present Constitution, and what money powers consequently then became necessary. Under the old confederacy there was no executive; there was no judiciary. The confederacy might engage in war, and it was the very purpose of its creation that it should engage in war. Consequently it would need money. Could it lay taxes? No. "Charges of war, and all other expenses which shall be incurred for the common defence or general welfare, and allowed by the United States in Congress assembled, shall be defrayed out of a com mon treasury, *which shall be supplied by the several States.* * * * * The taxes for paying that proportion shall be laid and levied by the authority and direction of the legislatures of the several States, within the time agreed upon by the United States in Congress assembled." Then the articles continue: Congress shall have power "to ascertain the necessary sums of money to be raised for the service of the United States, and to appropriate and apply the same, to borrow money, or emit bills on the credit of the United States." The United States Congress then could ascertain the sums of money necessary to be raised, and the States were to raise the money, after Congress had determined the amount, if they so pleased. What could such a Government do? Or rather, what could such a deliberative council do, for Government there was none. They could not raise money by force. The only powert hey had, as far as raising money was concerned, was the power to *borrow.* Consequently it was a measure of absolute necessity to give them the power of *making* money; and this power was given to them. Without it they would have been penniless. With it they became bankrupt. And in consequence of the ruinous effects, which resulted from having no Government, with the power of *making paper money,* the founders of the Constitution determined to alter the policy, and have a real government, with the power of *raising money by taxes.* Washington, in his Farewell Address, said: "towards the payment of debts there must be revenue; to have revenue, there must be taxes." "Cherish public credit. One method of preserving it is to use it as sparingly as possible." And Mr. Langdon said in the debates on the adoption of the Constitution, that he would rather reject the whole plan than retain the words "and emit bills of credit." What change then did they make?

In the first place they made a Government, instead of a persuading council; they created an executive and judiciary, as well as a legislature.

They gave to the legislature of this Government the power of "coining money"; not of making money, but of coining what already was money. They gave them, too, the powers to "raise armies," to "maintain a navy," to "provide for calling out the militia," and the ordinary powers of a strong general government. For the execution of these powers, of course a great amount of money would be necessary. And the Constitution states distinctly how this is to be obtained.

The first way indicated is "to lay and collect taxes, duties, imposts and excises" to any extent that Congress may deem necessary and wise; to the extent of all the property in the United States. Congress have under this clause the power to take every dollar of money, and every piece of property in the country, if they think it wise.

If Congress cannot raise enough money by this means, or do not deem

it wise to raise all the money they need in this manner, then there is the second way, viz: to "borrow" money.

Are not these two powers as great as can possibly be given to any Government, even in conceivable terms? Can greater power be given to a Government than the power to take every dollar of property in the country, and then in addition, to borrow all that any one in the world will lend them?

Here then are the two means given to Congress of providing funds for Government use: the one to *raise* money, and the other to *borrow* money. But where is the power to *create* money?

When in the preamble of the Constitution, the object of the formation of the Constitution is declared to be, "to provide for the common defence, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity," it is not thereby intended, that for the furtherance of this object, every power is by the Constitution given, which, in the opinion of any of the officers or departments of the Government thereby created, may be adapted to the attainment of that object. Else what would be the use of adding anything to the preamble? Why should the Constitution go on and define any special powers at all? Or what would be the meaning of the clause stating that "the powers not delegated to the United States by the Constitution * * * * are reserved to the States respectively, or to the people?" But the preamble merely, in general terms, states the objects to be obtained, and the following parts of the same Constitution specifically provide the means for the attainment of those objects. The delegation of specific powers for the attainment of an object is always a strong presumption that no other powers are given.

It being then, without question, that money is needed and can be raised, for the purpose of carrying on the Government, it is also a fair supposition that, particular ways of raising money being given, they are the only ways given.

The framers of the Constitution expressly said, that all the powers of the general Government were to be found in that instrument; that no power not found there had any existence. Suppose, then, that the power to raise armies had never been given. No one would claim its existence. Suppose the power to maintain a navy had never been given. No one would claim its existence. Mere incidental subsidiary powers would not be specifically mentioned. Powers, which are merely necessary means for the exercise of more broad and general powers, would not be specifically delegated. No one expects it. But the great important powers of a Government would surely not be omitted, if they were meant to be conferred. These powers never are omitted. A man would as soon think of making a promissory note, and omitting the number of dollars which he was to pay.

Now consider a point of fact, that the issuing of a paper currency, so far from being an ingenious device of wise statesmanship, now first known to the world, or a useful and necessary means for borrowing money, always has been, and before the Constitution was formed, had been, at all times since there has been such a thing as financial history, the ordinary resort of a Government in financial troubles. Consider that the French revolutionists tried it, that our own confederacy tried it, that it was felt by all men to have been the greatest evil of the Revolutionary war, that, moreover, so far from considering the act of making legal tender the same thing as coining

money, or borrowing money, they had a special phrase for it, viz: "emit bills of credit," which they had always used to designate this ruinous measure, consider that this phrase had been used in the old articles of confederation, that it is used in the present Constitution, and then will any man deny that on principles of sound construction we must hold, that such a power if meant to be conferred, would have been enumerated specifically in the regular term of the time, as "emitting bills of credit," and that the power, would in those words have been inserted among the powers of Congress? Whereas, do we find it? And do we not know that so far from its being put into the Constitution, it was stricken out, after it had been put into the first draft of it?

But even if it be clearly made out that this Act of Congress does not hinder depreciation, it will still be claimed that the making Treasury notes legal tender inevitably causes a certain amount of them to be absorbed, and thus puts it in the power of Government to obtain a certain amount of money, by issuing them and giving them this quality. Undoubtedly, Government does raise money in this way. But in so doing, they do not raise the money by "taxing." They do not raise it by "borrowing." No one invests money in these legal tender notes which bear no interest. No one makes loans on them. Enough of them are taken up to use as currency. They are made money. The price of United States bonds remains what it would be were there no legal tender notes. Men give for them what they think them worth. The only effect produced is that we use Treasury notes instead of gold and silver for money. Government may get money by this means. So it might by seizing it without any legal process. The point is met by what has already been said, that the Constitution has provided ways of raising money, ample and sufficient. This way was one well known, universally designated by a particular phrase, had been used in the articles of confederation, in common speech, and actually is used in the Constitution itself, and yet this way of raising money is not mentioned among those authorized, but was proposed to be mentioned, and was left out. This can come in, as a necessary incident to the power of borrowing money, only in case it can be shown to be something directly auxiliary to the obtaining a loan. It cannot be shown to be anything of the kind. Undoubtedly this proceeding puts a few hundred millions into the hands of Government. But does it do it in a constitutional way? The old confederacy, being merely a league, having no power to act on individuals, being merely a persuader of State governments, needed such a power as the power to emit bills of credit. They could not get along without this ruinous make-shift. But under the Constitution, the state of things was entirely changed. Here was a powerful Government, with the power of taxing individuals, and the power of borrowing what it could not raise by taxing. What more could be asked? This put at the command of Government every cent in the country, and as much more as any one out of the country would lend them. Is there anything more that a Government could conceivably get? And this the Government has.

One effect this Legal Tender Act certainly has. It makes contracts and obligations performable in a manner utterly at variance with their letter, and the intent of their makers, and a portion of the property of creditors is by this Act arbitrarily transferred to their debtors. This effect it has, and this only. Are not the debts due a man as much his property as his real

estate, both in law and in common sense? And unless authority for this Act is given by the Constitution, is not its passage simply a "depriving of property without due process of law?" The Constitution says private property shall not be taken for public use, except with just compensation; but this is taking private property for private, use without any compensation. In some remarks in the *American Law Register* for February, 1865, some examples are given, of cases where great inconvenience results, from holding legal tender notes to be the equivalent of gold and silver. These examples are given by a writer who supports the constitutionality of the Act of Congress. He says: "It is easy to put cases not unlikely to arise, where the doctrine that coin and Treasury notes are for all purposes legally identical, and that judgement can only be for so many dollars, payable in whatever the law has made legal tender at the option of the debtor, would work positive injustice, where there exists great difference in their market value." But can any one put a case of a contract or obligation, made before the Act, where it does not work positive injustice? The writer says: "Suppose I leave $1,000 in gold coin on special deposit, and my bailee converts it." Or suppose I left $1,000 in convertible bank notes before anything but gold and silver were legal tender. Again, "suppose I loaned $1,000 in gold, and the borrower agrees to return it in kind." Or, suppose I loan him $1,000 in convertible bank bills, and he agreed before the Act to repay me, which was a promise to pay gold. Does the passage of the Act ever work anything but injustice, as far as it has any effect at all? The only effect it has, is on contracts made before the passage of the Act, and on all these, is not the effect one of injustice, and nothing else?

Arguments against the Legal Tender Act are, now-a-days, generally viewed by many men with distrust. They are supposed, generally, to be written with partisan motives, with a design to embarrass the Administration, and by that means to embarrass the Government. This paper is written under a firm conviction, that much injustice to private individuals would have been avoided, and that the financial position of the Government would have been much stronger to-day, had the Legal Tender Act not been passed, and that the passage of the Act was unconstitutional. Though it is too late now to undo what has already been done, and though a return to another policy must, to be safe, be very gradual, yet the temperate expression of honest thoughts on this subject may have some influence in case the nation should, at any future time, be placed in need of large amounts of money to meet its wants.

HON. THURLOW WEED.

By Matthew Hale Smith.

Mr. Weed is one of the influential men in the Union, a Warwick in politics, though far advanced in life, like the Law Giver of Israel on Nebo, his eye is not dim nor his natural force abated. His political home for years, has been at the Astor House, in the City of New York. He has occupied one room for a quarter of a century. It is on the lower floor near the ladies parlor. Around it clusters more influence than any room in the nation, except the President's room at the White House. Mr.

WEED seems never at rest. He flits in and flits out. He comes in and goes out as if driven by business which could not be stayed or resisted.

He passes away in the evening train and comes back with the early morning light. He walks into the dining-room; but before his presence is really noticed, he has concluded his meal and gone. His tone is subdued and low, speaking but seldom. A degree of quietness and even secrecy seems to mark all his movements. He walks about the corridors with a cat-like step, rarely speaking to any one, rarely being spoken to. Moving with so quiet and subdued a mien, that his presence at once attracts attention and causes visitors to ask: "Who is that gentleman?" He seldom speaks loud. He recognizes any civility, but rarely says anything. His resemblance to clergymen is so marked, that his opponents sometimes put "Rev." to his name. His figure is tall, he stoops slightly, his head inclines to one side after the manner of Mr. BUCHANAN. His rooms are the headquarters of the conservative elements of the land without regard to party. Few men of fame or position visit New York, without visiting him. He is keen, far-sighted and practical. Not what he wants to do, but what he can do, is the principle that guides him. When his party follow his lead it is successful; when it gets tired of following, weary of what it calls dictation, and disposed to be free, throws off—like REHOBOAM of old—the counsel of the wise, disaster follows. Without office emoluments or gifts to bestow, he has more influence in the great events of the day than any other man. A telegraph comes to him in cypher, he takes the night train for Washington; before his arrival is fairly announced, he is back to his old quarters. In like manner he is summoned to Albany, and is closeted with the powers that be. Plans for reorganizing the rebel States—the conservative movement for conducting the next Presidential campaign—influences that agitate Congress, and knock into pie the well known schemes of politicians—who shall be senator or foreign minister—who shall go into the Cabinet, and who shall stay out, are agitated and perfected in the little chamber which forms the New York room of THURLOW WEED. More than once a distinguished Cabinet officer has reached New York at an early hour in the morning, before the people were astir, remained quietly all day in consultation with the astute Statesman, and left at night with the great metropolis profoundly ignorant of the visit.

He began his public career as an editor in Rochester. He bought the half of an interest in a small paper and worked it up to a paying success. The Anti-Masonic excitement was abroad. Mr. WEED admitted into the columns of his weekly some articles denouncing the arrest and death of MORGAN. This, with an article which he wrote himself, stirred society to its depth and brought ruin to his craft. As he had sunk the little craft, with that justice that has ever marked his career, Mr. WEED bought out his partner's interest and resolved to start an independent paper in Albany. He became early and intimately attached to WILLIAM H. SEWARD. The two formed a mighty power. The one earned laurels on the field, the other wore them; and for thirty years the pair have guided the legislation of the nation and disposed of its patronage at will. Mr. SEWARD, when Governor of the State, was riding with a stage driver, that he might enjoy his segar. Curious to know who his quiet puffing companion was, JOHNNY said, "Captain, what are you?" "Guess," was the reply. "A farmer?"

"No." "A merchant?" "No." "A minister?" "No." "Well what then?" "Governor." "Governor of what?" "Of this State." "I guess not." "Inquire at the next tavern." Driving up Mr. SEWARD asked the proprietor, "Do you know me?" "Yes!" "What is my name?" "SEWARD." "Am I Governor of New York?" "No, by thunder, THURLOW WEED is."

Mr. WEED's power is in his heart no less than in his brain. He never forgets, deserts, nor neglects a friend, however humble or unfortunate. He is as polite and considerate to an illiterate breakman or to a domestic as he is to a member of Congress. There is not a boy or man on the Hudson River or New York Central Roads, that does not love him. One of the conductors said that Mr. WEED could send a glass vase to Galena by the railroad boys without having it broken. "They would carry it in their hands for the old man and quarrel for their turns." He pays liberally for all favors and has a strange way of attaching men to him. His private munificence to the lowly and indigent is unbounded, and thousands of eyes moisten at the mention of his name. No amount of exposure or inconvenience will keep him from befriending one whom he wishes to serve. He has been know to wait hours at night in the Central depot to meet some friend from the interior who had asked to see him there.

A single incident will illustrate Mr. WEED's kindness of heart. While busily engaged on a pressing matter in his rooms, a Senator sent in his card. "Tell him I am very much engaged, but will see him," naming the hour. The card of a Governor was sent in, to which he gave a similar reply. Soon a knock was heard at the door. "Open the door, George," he said to his companion. The door was opened; a negro man stood outside, trembling. Mr. WEED knew him well. He knew that nothing but stern necessity drew him to his door. In his tenderest tones he bade him come in, pushed aside his paper, heard his story, gave him twenty minutes of his precious time, gave him a little money, granted his request, which was better than all, and sent him on his way rejoicing. He had no time for a Senator or a Governor; had time and money for an indigent negro, who at the same time was a fugitive slave. He is one of the best conversationalists in the country. His eye kindles, his face glows, and though at times slow to talk, acts with power. His life touches the highest and the lowest. None can fail to be impressed with its wonderful volume, so noble in its faculties, so infinite in its resources. In the nation he will always remain a power. So wise, practical, with such unbounded political knowledge, few are willing to oppose him or offend him. The "Old Man wants it," is enough to carry almost any measure. Few men have been as loved in their own home. Few men are as valued in the realms of private friendship. The poor find in him a constant friend and adviser, one who does deeds as well as give words. His coolness, his bravery, his kindness of heart, his liberality, his disinterestedness, are household words with his friends. A power in the State, his highest honor is in the warm love of those who know him best.

NATIONAL FINANCE WITH LEGAL TENDER.

PROFESSOR GOLDWIN SMITH,
LONDON, ENGLAND.

SIR,—I have read in the newspapers of New York a letter of yours on the Finances of the United States, copied from the London *Daily News*, that I trust will attract the attention of our people and Government, coming, as it does, from one so conspicuous in science and so friendly to our nation as yourself. Without doubt you are correct in your conviction that the financial administration is the weak point in this country. It was the weak point prior to the rebellion, and has been ever since the birth of the nation. Some of us have long been aware of this, and have taken every convenient opportunity to impress the truth upon government and people; but truth in political economy is of unaccountably slow growth every where; and here, especially, it is thoroughly opposed and kept down by an unreasoning and unconquerable prejudice in favor of what is absurdly called "paper money," as if the promise to pay a thing could be the thing itself.

You think the root of the mischief here is the Legal Tender Act. Pardon me for differing with you on this point. It seems to me the Legal Tender Act is neither root nor trunk, but a mere off-shoot of a false principle, having its root or source on your side of the water, in the pet bank of your country, the Bank of England. I mean no disrespect to you or your opinions in this statement, but I wish to place the responsibility for the false system, under which not only the finances of this country but of the commercial world are suffering, where I think it belongs. The establishment of that Bank was the opening of an era of debt in the world that is needless, endless, and boundless, and our nation is but fulfilling the financial destiny assigned to it by that institution.

It was, as you are aware, the beginning of the public debt of Great Britain; a debt that was paid, paradoxical as it may appear, in the capital of the nation when the same was contracted. No other capital but that of Great Britain paid the cost of the war in which it was consumed, and the delivery of the capital was its payment. But the sophistical scheme of false banking re-established the debt for the benefit of mere currency makers, men who loaned no capital to the Government at all, but added so much *price* to the *value* which the Government received and agreed to pay for their currency obligations. It is a scheme that transmutes from money into debt all the exchanges it touches, and piles upon commercial communities a huge mass of needless individual indebtedness, over and above the sum of the false currency it manufactures. Value pays for value, and service for service, but a debt currency pays for nothing, it merely postpones the payment needlessly that with a currency of money would be made at once.

No one is paid for his goods or his services in a bank note or check; one simply gives credit to the promise of a bank instead of the promise of some other debtor, and gets his pay by parting with the promise for value received. It is a false principle that discards capital, which is the object of exchange in money, its element of payment and of wealth, to

substitute therefor mere debt as the medium of exchange, which, in the dual nature of money, is precisely that element which of itself makes no payment and is no wealth. A medium of exchange may be made of promises, or of paper, or iron, or copper tokens, but so far as it lacks intrinsic value it is not the object of exchange, and so far it is poverty in the place of wealth.

The false principle is the formation of a "deposit" in pretended banking by discounting a debt out of itself; creating so much additional debt and making it currency. The credit given by a bank to its customer, which is not the transfer of a prior credit, but which increases the loan and the "deposits" in one and the same transaction, is no deposit, and no banking; there is no value received; it is currency making out of debt, and, to the extent of its convertibility into coin, it depreciates the value of money, and expels an equal sum of capital from the community that originates it in pure loss.

None but a wealthy or thriving community ever did, or ever can maintain this costly and wasteful system of currency making. Strangely enough, the industry, wealth, and general prosperity which support the system are supposed to be its results; but it has never been introduced in any of our new States or frontier settlements, where capital was scarce, without crippling the energy and industry of the people, and bringing about in the end almost universal bankruptcy. True, the credits it has created have enabled individuals to purchase goods at inflated prices on credit from the Atlantic cities, which they could not pay for, and this, by a sort of involuntary robbery, has transferred some capital from the older cities to the interior States and outlying settlements; but this has been but a wretched pittance of compensation for the suspension of business, check of production, confusion and violation of contracts, broken fortunes and broken hearts, that have followed its operations with the certainty of death. It would be instructive to trace its history in the experience of nearly all our Western States, but especially of Illinois and Arkansas.

Banking is a very proper, honest, and useful business; it is dealing in money and exchange, and in loanable capital. There cannot be too much of it because it will regulate itself. It is borrowing of those who have capital to lend, and lending to those who have capital to borrow. But currency making is another thing; it is not a proper, necessary, or useful business; it is unnecessary, and as unprofitable to any community as counterfeiting, because it creates *price* without *value*, and the false price must be paid in precreated value for imports, while it checks the exports of merchandise, forcing money abroad instead, until the excess of the supplies of merchandise at length compels the holders to yield to the price and demand of foreign markets. Beyond our own borders it does not raise the price of our exportable commodities a dime, while its irresistable effect is to raise the price of imports, stimulate increased supplies, and, as I have said, drive our money abroad in dead loss, because of its degraded value.

Now, the immediate cause of the suspension of money payments, and of the present ridiculous condition of our currency, with the expansion of debt under false prices, was, and is, the operation of this false principle following the negotiation of the so-called $7\frac{3}{10}$ loan with the corporate banks in the autumn of 1861.

The approach of the rebellion, evident in 1860, with the repudiation of Southern debts, which broke the merchants of the North, and the open rupture in the attack on Fort Sumter, in April, 1861, had so destroyed general confidence in credits and in trade, and reduced the available assets of the banks and their liabilities, that the currency of the loyal States fell below the natural money measure. This appreciated the value of money and depreciated the relative value of merchandise, until money became more valuable than merchandise. The foreign exchanges were turned thereby largely in favor of this country, so that we gained probably $80,000,000 of gold and silver in the year 1861. The banks were thus placed in a condition, not merely of ease as to their liabilities, but of anxiety to lend their credit and maintain their dividends. They had what they call money to lend, although those of the loyal States, to whom alone my argument applies, owed, payable on demand in gold and silver, the sum of $420,000,000, with probably $80,000,000 on hand to pay it with.

No official statement of the condition of the banks having been made at Washington, since January, 1861, it is not easy to determine what portion of the large excess of specie imported and mined here in that year went into their coffers, as applicable to the payment of their liabilities; but the general distrust caused private hoarding among those who were unfamiliar with banks, and, among the friends and customers of those institutions, the transfer of large sums from general to special deposits, which amount to the same thing, so it is not probable that the specie reserves available for their demand liabilities of $420,000,000 exceeded $80,000,000, to which should be added, say $80,000,000 of coin outside of the banks and free of hoards, making the whole circulating medium to consist of a debt currency of $340,000,000, and money $160,000,000 ($500,000,000,) this sum of five hundred millions being less than belonged to our capital in real money, as is evident from the state of the exchanges, with the rapid influx of specie and the rapid efflux of merchandise in exchange. . I need not inform you that money goes where it has the most exchange value, with no more reference to the so-called "balance of trade" than iron, or wheat, or any other exchangeable commodity.

Because of this reduction of currency and excess of unemployed capital the rent of capital was low, and loanable capital and bank debt were begging customers at 3 to 4 per cent per annum. In this condition of financial affairs the Government came into the market for a loan of $150,000,000 offering $7\frac{3}{10}$ per cent interest per annum. Can you doubt that the banks could have borrowed this sum for the Government at a much lower rate than this? But to have done so would have produced less profit to them immediately; they were for grasping the whole $7\frac{3}{10}$ per cent at once, and the want of scientific knowledge, with the indolence of those having charge of the negotiation on the part of the Government, threw the whole matter into the hands of the managers of the chartered banks upon their own terms. Accordingly, without borrowing a dime of capital, they undertook to lend the Government one hundred and fifty millions of dollars when they had not one hundred and fifty cents to do it with.

As I have said, they already owed a demand debt of $420,000,000, with only $80,000,000 of money on hand to pay it. They were the custodians of this money, not its owners. It belonged to their prior creditors,

whose forbearance was due to the favorable condition of the foreign exchanges, and consequent absence of any export demand for money. Creditors for nearly five times its amount were authorized to check upon it at sight when the banks authorized the Government Treasurer to check upon it nearly twice over again, besides; and they maintained that they were not increasing the currency because they paid the Treasurer's checks in gold. You will see the fallacy of this statement in the fact that their demand liabilities, which constitute the bank currency, were raised from $420,000,000 to $570,000,000, against the same sum of money in reserve as before.

The Government bonds thus granted to the banks formed the fund out of which they were themselves discounted; debt was increased by debt, not by capital transferred, and the "deposits" thus created, say in round numbers $150,000,000, to the credit of the Government Treasurer, was so much currency over and above all the pre-existing currency, money, capital, and wealth of the country; in a word, it was so much fiction. It matters not in what form or by what instrument a bank deposit circulates, whether in note or check or money itself, it forms part of the fund offered like money in exchange against the whole circulating capital of the country, which determines the relative value of money and of other capital.

Doubtless some portion of the loan was retaken by capitalists who checked upon their own pre-existing deposits without increasing the currency, but more of it was taken by persons who obtained bank discounts for the purpose; besides, the Government had issued directly from the Treasury $20,000,000 of its own notes—greenbacks—so I am quite sure that the sum of $150,000,000 was added to the currency of the country without capital by the financial operations of the banks and the Government in the summer and autumn of 1861. No one can be so dull as to suppose there was any more capital in the country because of this currency making.

The money demanded as the equivalent for circulating the capital of the country is never a fixed amount; it must vary with the aggregate of capital offered in exchange against it; an approximate estimate is all that we can obtain from the best statistics; but when sterling exchange remains for any considerable period at $4.86–66 to the pound, *i. e.*, 9½ per cent premium on the Spanish dollar valuation of $4.44–44, which nominal premium is the true par, if we can then know the amount of the bank liabilities we can determine the natural volume of the currency with considerable accuracy.

I suppose the natural volume of the currency of the loyal States to have been something more than $500,000,000 in the fall of 1861, but if we assume $500,000,000 to have been the true amount, the $150,000,000 then added depreciated the value of money here 23 per cent, equal to a premium on the gold dollar of 30 per cent. To have maintained the equation of international values it would have been necessary for us to export $150,000,000 of gold and silver. As soon, therefore, as that fictitious credit to the Government began to circulate and act upon prices, our exports of merchandise were checked and our imports stimulated; of course a foreign demand for specie took place, which it was obvious the banks could ont meet, and they broke, as every intelligent bullionist knew they would when they undertook the Govern-

ment loan upon this false principle, for they were being called upon to pay $150,000,000 of *value* that nobody ever possessed.

Now this principle is the system of the Bank of England, and whenever that bank aids or influences the creation of credits, used as money, in excess of the true money measure, it either breaks to save the debtors of the kingdom, or the debtors break to save it, and you have in England the "commercial crisis."

One may read ADAM SMITH'S account of that bank, FRANCIS' history, and nearly every other history, without discovering this principle in its formation; in other words, without discovering that it was formed by making a spurious currency, and without capital, except perhaps £72,000 which may or may not have been expended when the bank went into operation. A simple balance sheet presented in LAWSON'S history of banking will show the truth of this statement to any tyro in accounts beyond a peradventure.

Two years after its establishment the bank failed, the real cause of the failure being plausibly concealed by the recoinage of the silver of the kingdom to which it was attributed, no one caring to notice that the bank notes had expelled an equal amount of coin, which was sent to Flanders, leaving so much additional debt to pay and so much less money to pay it with—so much embarrassment in the place of so much wealth, a double power of bankruptcy to which the advocates of this system are persistently blind. One who has nothing is poor, but one who has nothing and is in debt besides is doubly poor, which latter condition is the currency principle of the Bank of England. Such a currency cannot exist without plundering individuals of so much capital in the payment of the fictitious price it creates for imports, and leaving them in debt an equal amount besides.

Here is the balance sheet that I find in LAWSON'S history. It was presented at the bar of the House of Commons, December, 1696, by order of the House, the bank being then under suspension of payment, as I have just said, two years after its establishment:

DEBTOR.

	£.	s.	d.
To sundry persons for sealed bills standing out	893,800	0	0
To sundry persons on notes for running cash	764,196	10	6
To moneys borrowed in Holland	300,000	0	0
To interest due on bank bills standing out	17,876	0	0
To balance	125,315	2	11
	2,101,187	13	5

CREDITOR.

	£.	s.	d.
By tallies in several Parliamentary funds	1,784,576	16	5
By one-half year's deficit of fund £100,000 per annum	50,000	0	0
By mortgages, pawns, and securities	230,946	15	2
By cash	35,664	1	10
	2,101,187	13	5

The youngest clerk who ever balanced a set of books will see at a glance that the bank owed the whole sum of its assets except the balance of £125,315 2s. 11d. This covered its whole capital and contingent fund. For two years it had done an extremely profitable business, paying eight

per cent pér annum dividends. It is very possible that the whole £72,000 paid in was expended in procuring the charter, the granting of which was strongly opposed in Parliament, where bribery, it is said, was not unknown, so that it began without a penny of capital, and after paying dividends had accumulated the balance above mentioned. Yet the bank boasted of having loaned to the Government and paid into the exchequer, before the time stipulated in the charter, a capital of £1,200,000. He must possess a necromantic skill in accounts who can discover any such capital in these figures. Why this balance sheet is not produced by FRANCIS in his apparently exhaustive history of the Bank of England, and why he should say that *twenty-five per cent* of the subscription was paid down, leaving it to be understood that the payment was on account of the £1,200,000 of capital, it is difficult to conceive. The subscribers, however, were to advance to the Government £1,500,000, of which £300,000 was to be returned, having nothing to do with the capital of the institution, and this without doubt is the "moneys borrowed in Holland" according to the balance sheet. FRANCIS may have mistaken it for a payment on account of the capital.

MICHAEL GODFREY, the first Deputy-Governor, sets this matter of capital at rest. Writing in 1695, he says: "Some find fault with the bank because they have not taken in the whole £1,200,000 which was subscribed, for they have called in but £72,000, which is more than they now have occasion for. But, however, they have paid into the exchequer the whole £1,200,000 before the time appointed by act of Parliament, and the less money they have taken in to do it with so much the more they have served the public, for the rest is left to circulate in trade, to be lent on land, or otherwise to be disposed of for the nations service."

This is a precious piece of sophistry which sets at naught the teaching of the nursery, that one cannot eat his cake and have it too. Its acceptance as truth then and now is a remarkable evidence of the depth of credulity among intelligent men. The truth is the bank had no capital, unless the £72,000 was unexpended after procuring the charter. The Government loaned the bank as much as the bank loaned the Government, which was nothing at all. The bank handed into the exchequer its own notes in exchange for tallies—mere memorandums of unfulfilled contracts—paper and notched faggots exchanged against each other. The scheme was a manufacture of currency virtually out of nothing, that is, without value received. The effect upon prices was exactly the same as if so much gold had been produced and thrown upon the market, but here was no gold or other value produced, and the price it created was therefore paid out of pre-existing gold and silver, the precreated money capital of the nation.

The bank borrowed no capital and loaned no capital; it simply loaned memorandums of indebtedness on which the people subsequently loaned their capital to the Government, and paid interest, or £100,000 annuity, on their own capital thus loaned for the benefit of the Bank of England. The people, not the bank, loaned the capital to the Government, but the bank held all the securities and took all the profits.

ADAM SMITH supposed that an excess of convertible paper currency could not be circulated, because the excess would at once return upon its issuers for redemption. This is one of his errors, and the more surpris-

ing because of the experience of France with LAW's banking sixty years before the "Wealth of Nations" was written. For four years the inflation continued there, until general prices advanced four-fold, indicating a four-fold expansion of the currency, and yet the currency did not return upon the bank for redemption to any inconvenient extent until a few weeks before its doors were closed in hopeless insolvency, although money was rushing out of the country all the time. It is a question of confidence on the part of the people; if they prefer the paper to money, and do not call upon the bank for payment, there is no difference in effect between an inconvertible and a so-called convertible currency, and, as we see in the example of France, it is easily possible to press upon a credulous community as much convertible as an intelligent people will bear of an inconvertible currency. We have not yet, at any time, with our inconvertible currency reached the degree of inflation that existed in France with their convertible currency in 1719–20, after three to four years operation of LAW's, and the Royal Bank, which failed in 1720.

The philosophic action of this spurious currency is to degrade the value of the whole volume of money or currency to the extent of its increase. The whole convertible sum of this increase and degradation then runs away, and brings returns in *price* not in *value*. In other words, the excess of currency thus thrown off is wholly absorbed in the false price of imports, because the exports will command only the price determined by the demand measured by the currency of foreign countries. ADAM SMITH overlooked this inevitable result of local inflation, and supposed that the specie expelled by what he calls "paper money" was sent abroad at its normal value, and necessarily commanded an equivalent value in the imports, but it is never so. The reason of the shipment of money is because it is cheaper than merchandise to the exporter, and when it is cheapened naturally by an excess of production, the excess is a clear addition to the wealth of the country in the capital it commands in the imports, precisely like an excess of wheat, or beef, or copper, or any other form of capital that can only be exported when it is cheapened by supply to an exportable value. But when money is cheapened to an exportable value without any excess of production, in other words, by making "paper money," the gold and silver sent abroad is taken from precreated capital, and might as well be plunged into the sea so far as any benefit accrues to the nation that exports the money, simply because it is sold and exported at the degraded, and not the natural value. You will observe it is the whole volume of the currency that is degraded in value, and only the amount of the degradation that is expelled, so that the whole amount of specie thus exported is lost in the abnormal price of imports.

Now the people of the United States are thorough dupes of the Bank of England; they believe in "paper money" more than they believe in democracy, and so favor privileged legislation in the matter of currency. It makes no difference to them who or what issues the note; if it is handsomely engraved and "convertible," they circulate it in preference to gold, having no conception that they are lending their capital upon it for nothing, and, in the case of bank notes and bank credits, paying interest on their own capital thus loaned for the benefit of bank stockholders into the bargain. Virtually every bank note, or bank debt on account, payable on demand, is a legal tender; the man who should refuse to accept it

would be ostracised—sent to Coventry; he could do no business unless the note were discredited by some competent authority. It is a forced loan even from myself and others who see through the iniquity and falsehood of the thing; we cannot help ourselves; we must accept and circulate bank notes, pay interest on our own capital, and deal with the banks upon their own terms, or do nothing.

The notes issued directly by the national Treasury—greenbacks that form two-thirds of the legal tender—have the advantage of costing no interest to the public, but the public know nothing and care nothing for the advantage. There is not intelligence enough upon the subject in Congress to see the saving to the industrious classes, and the National Bank Act, which is a copy essentially of the principle of the Bank of England, imposes a needless cost of interest upon the public for the currency it authorizes. Public writers and professors are busy here writing down the "greenbacks," that the banks may have the profit of the circulation in their place. It is doubtful if they know who pays it.

There is an important advantage in all the national currency, whether furnished directly by the Treasury or through National Banks, as compared with that furnished by the State Banks, namely this: the national currency being public debt, directly or indirectly, forms a fund with which goods are bought and sold as for cash, relieving a vast amount of embarrassment in individual indebtedness. Whereas the State Bank currency requires to be fed with individual indebtedness. Goods must be sold on credit to make notes for the banks to discount into currency, and their system accordingly forces nearly the whole traffic of the country through debt and credit. But this again is unheeded; people care nothing about it.

The one idea here is that without a paper currency we should have no money and do no business. It is a common remark that there is not gold and silver enough in the world to do the business of the United States; and the notion prevails that "paper money" is capital, so that the more we have of it the more business we have. Accordingly it has come to be considered a sort of patriotic duty for every one to encourage the utmost extension and circulation of bank and Government notes, and of bank credits. If there be such a thing as blind ignorance here upon any subject, it is the most dense upon this subject of "paper money;" and if there be an unpopular man in the nation it is the bullionist. Thus we drive away capital, the only employer of industry, and substitute debt, the embarrassment of capital and industry, in its place. But we work hard and cover our foolish losses with a surplus still.

Under these circumstances you may readily conceive that the Legal Tender Act is a matter of small practical importance. Theoretically it is an act in violation of contracts; it is *expost facto*, unconstitutional, and the essence of injustice; but its repeal would make no practical difference in our currency, or in the condition of the national finances. Even in satisfaction of a judgment and execution no court or individual declines to accept a check or current bank notes. Legal tender is seldom thought of, and never demanded except in bank settlements at the Clearing-House, and the repeal of the act could only tend to a further inflation of the currency by removing all check upon bank discounts and currency making. There is a possible ultimate restraint upon the making of fictitious

credits by banks, in the legal tender requirement, but as the legal tenders amount to three times as much as the specie by which the currency was formerly regulated, we must expect three times as much currency as under the specie requirement before the restraint can operate. Still it is something, and better perhaps than no restraint at all.

The Bank of England system enlists the strongest motive to human exertion—self interest—in the business of damaging the capital of the country by expanding the currency and degrading the value of money. The more mischief of this sort they can do the greater is the profit of the corporators. Instead of furnishing capital to the people, as the people generally suppose, it is using their capital and charging them interest upon it, their money capital meanwhile being forced abroad in pure loss to them for the benefit of foreign producers. But our people like it, and exhibit a democratic spirit of independence in ignoring the science which teaches the folly of it.

Asia gets the benefit of this folly of America and Europe, and the precious metals are driven to the East nearly as fast as they are taken from the bowels of the earth, because there they escape the contact and depreciation of "paper money." If America and Europe obtained an equivalent value in return the benefit would be mutual, but it is not so.

Thankful for your friendship to my country, and for your earnest support of the democratic principle in its present terrible conflict with barbarism here, I am glad of the opportunity to contribute something to your knowledge of our institutions, and to explain to you the evil nature of our financial system, which is one of the two greatest evils and antagonisms that the democratic principle has yet to deal with in this country. The other is the tariff system of "protective" duties on imports, which by checking imports checks our exports to the same extent, and cripples the commerce and the industry that the energy and enterprise of our people would otherwise develop into much additional and enduring wealth. Both are creatures of class or privileged legislation that are out of place in the institutions of the United States.

But we are a young nation. England is old. And we follow England with a weak subservience that our self-styled democrats are too ignorant to see, or too conceited to acknowledge. We did once set up for ourselves in politics in establishing a republican government, and did well; but we take no step in political economy until England pioneers and points out the road. From her we received our great anti-democratic institutions of slavery, protective tariff, and privileged banking for the manufacture of a currency of debt. From her we have learned to hate slavery and abolish it, and we expect to follow her lead already taken in establishing free trade. But until she moves to protect her capital against the encroachments of "paper money," we shall doubtless continue as blind as we are now, and know nothing of the difference in currency between capital and debt, and we shall go on sinking our capital by putting debt into its place.

If I could induce you to lend your pen and your influence to persuade your Government to change its great financial institution from a *debt-factory* to an honest bank, with the simple privilege of every honest banker to borrow and lend capital without limit, it would be something to repay me for much careful thought upon this subject, and I should feel

that I had taken a step to benefit England and my own country, and the commercial world.

With the highest regard, permit me to subscribe myself, your friend,

CHARLES H. CARROLL.

West Newton, Mass., February, 1865.

COMMERCIAL LAW.—NO. 20.

BANKRUPTCY AND INSOLVENCY.

(Continued from page 198, vol. 52.)

WHAT PROPERTY THE ASSIGNEE TAKES.

IT has been already intimated, that what the bankrupt holds in the right of another does not pass to the assignee. If, therefore, the bankrupt has collected a debt for another, and has kept the sum so collected apart, it belongs, generally speaking, to him for whom it was collected. But if it is merged (or sunk) indistinguishably into the general assets of the bankrupt, the owner has only a claim for it, which must be proved like other debts. So, if the bankrupt sold goods for his principal, and they are not paid for, the principal can collect the whole debt, and sue for it in his own name. Or if the bankrupt has received payment of the goods, and has kept that payment apart, the owner, generally, could reclaim it; but not if it were merged in, and mingled with, his assets.

The insolvent laws generally exempt from their operation the same or similar property with that excepted by statute from attachment or levy. Among these is wearing-apparel; but under this clause in the national act, it was held that articles of jewelry belonging to the bankrupt passed to his assignee. In New York, however, it was held that jewelry and ornaments which belonged to the wife before marriage, or were given to her afterwards,—even if given by the husband, provided he was not then insolvent, and gave the articles in good faith,—belonged to the wife, and not to the assignee. In a case which occurred in Boston, Judge STORY differed somewhat from Judge BETTS, applying the principles of equity and trust to the question, and allowing to the wife only such things as the husband must be regarded as holding in trust for her. So as to gifts to the children of an insolvent; if made by himself, and in good faith, before insolvency, we know no reason why they should not remain the property of the children. If given by a stranger, there could be no doubt. An interesting case occurred before Judge STORY, in which the wife of a person who petitioned the court for the benefit of the bankrupt law was possessed of a watch of about the value of fifty dollars, presented to her by the petitioner, about ten years before the filing of the petition. She had likewise several mourning rings and pins, and a few other articles of jewelry, of the value of about twenty-five dollars, some of which had been given to her by friends, and others by the

petitioner, some years previous, and one mourning ring, of the value of about five dollars, given her by the petitioner nearly two years before filing the petition. The petition further stated, that his two sons, of the respective ages of seventeen and twenty years, had each a gold watch, of the value of about fifty dollars, which had been purchased about two years before with money given by a friend, and with about twenty-eight dollars given to each by the petitioner, out of his private cash. It was ruled by the court, that the watch of the wife, and any jewelry given to her by third persons before the marriage, or by her husband, either before or since the marriage, pass to the assignee as part of the property of the bankrupt, to which his creditors are entitled. But jewelry, as personal ornaments, and mourning rings, given to her by third persons since the marriage, as personal ornaments or memorials, belong to the wife for her sole and separate use in equity, and do not pass to the assignee under the bankruptcy for the benefit of the creditors. That the watches of the sons, under the circumstances stated in the petition, belong to them, as their property. But, nevertheless, if the petitioner was insolvent when he applied a part of his own money to purchase the same for his sons, he had no right so to do against the claims of the creditors; and that in equity, therefore, if the petitioner was so insolvent, the sons must account to the assignee for the amount of the money of the petitioner so paid towards the purchase of the watches. But if the petitioner was not then insolvent, and the donation on his part was made in good faith, and the donation was suitable to his rank in life, condition, and estate, then it was good, and not within the reach of the creditors, or in fraud of their rights under the bankruptcy.

A gift is not complete and effectual until there has been an assent to it on the part of the donee; and the same rule is generally applicable to a devisee. But where one devised real estate to a bankrupt, the bankrupt was not permitted to decline it; and the true reason is, that the assignee had become possessed of his right of acceptance.

After a party is decreed to be a bankrupt, it would seem that whatever comes to the bankrupt remains his own property. It is sometimes important to determine the moment of time *before* which what comes to the bankrupt goes to his assignee, and *after* which all that comes to him remains his own.

If the title to property, by devise or otherwise, falls upon him after the petition and before the decree, in England, it goes to the assignee, as much as if it fell before the petition. But our insolvent laws do not contain the same provisions as to decree, &c.; and it is probable that the time when the insolvent shall begin to hold as his own what comes to him will generally be determined by the phraseology of each statute, or the practice under it. The principle upon which this question must always be determined, can be no other than this: whatever falls to him before he is actually and completely an insolvent at law, goes to his assignee for his creditors; whatever falls to him after this point of time, remains his own.

If one partner of a firm becomes insolvent, this operates a dissolution of the partnership; and his assignee takes only his interest in the balance remaining after the debts are paid. To ascertain this, it is the common practice to permit the property of the firm to remain in the hands of the

other partners, for them to settle the affairs of the firm and render an account. But there is nothing to prevent an appraisement or agreement as to the value of the insolvent's interest, and a transfer of that for its value to the other partners. But such arrangement should not be made without the sanction of the court. And of course it would not be binding against the creditors, and in favor of the other partners, if it were made fraudulently, with their connivance or knowledge or reasonable means of knowledge. The assignee of the insolvent partner is said to have no right to take the property from the hands of the other partner or partners. But the solvent partners must have a right to hold the property needed to settle the concern. This subject has been alluded to in the chapter on the law of Partnership.

Where, after the petition, property fell to the wife of the bankrupt, in such a way as to give him the right of possessing it, in the final decree the "equity" of the wife's interest was regarded, and reasonable provision for her support was made out of this property. And when, at the time of the insolvency, the wife was possessed of an interest or estate in expectancy, to become hers in possession after the death of some person, and that death occurred some time after her husband's insolvency, the assignees were permitted to take the property for the creditors, when the death occurred; but the court made a proper provision for the wife.

An assignment in insolvency passes to the assignee the money of the insolvent which is in the hands of an attorney who has collected it for him.

It passes the possibility of estate or title, when that is connected with an interest; but not a naked possibility, as that of an heir, who expects to inherit, and probably will, but has no certain right. And the test in all such cases is, could the insolvent have made a transfer or assignment of his right; for if so, it passes to his assignee. Thus, an only son of an aged father has every reason to expect his inheritance; but his interest is not legally vested in him, and he cannot transfer it; and therefore the assignee does not take it, and if the father dies the day after the son is insolvent, the son takes it and keeps it. But if the father had property for his life only, to be his son's at his death by the original title, the son *must* have this, if he lives, and may transfer his right during the father's life; and therefore, if he becomes insolvent, his assignee then takes this *right*, and then takes the *property* at his father's death. And the assignee may sell this right and interest at once, and divide the proceeds among the creditors, and the purchaser of the right will take the property when the father dies.

An assignment in insolvency cancels and revokes any authority or power or lien which the insolvent had the power of revoking. Therefore, it does not revoke one which belonged to the agent or attorney as his own. As where the attorney had a vested right or interest in the authority; as if he had paid money for it, or on some good consideration had a right to execute the authority, and apply the proceeds to payment of a debt due from the principal.

Where there is no insolvent law, there is nothing to prevent a debtor from making a voluntary assignment of his property, in trust for his creditors; and to assign so much only as he pleases, and favor one creditor, or one class of creditors, at his own choice, and generally to constitute the trust upon such terms as he prefers. The mischiefs resulting

from this state of things led, as we have said, to the general introduction of insolvent laws. But these laws do not exist in all the States; and where they do not, the same questions, and the same diversity of decision may be expected which led to their adoption elsewhere. Thus, in some States, no assignment operated to the benefit of creditors who did not become parties to it; in others, their assent was presumed on the ground that it was for their benefit. And, generally, an assignment which provided for the absolute discharge of the assignor, was construed with much more strictness than one which provided only for the distribution of the property.

THE DISCHARGE OF THE INSOLVENT.

Among the insolvent laws of the several States, there is a great diversity in the kind and extent of relief or benefit which they give to the insolvent. In some, only his present assets are distributed, leaving future acquisitions liable to attachment. In some, the insolvent is discharged and protected from arrest or imprisonment. In some, the debtor is discharged, if this be voted by a certain proportion of his creditors. In some, the debtor is discharged, either if so voted, or without or against the will of his creditors, provided his assets pay a certain percentage of his debt.

The persons who are entitled to relief under the insolvent laws differ in the different States, as follows:

In California, Michigan, Ohio, Indiana, Louisiana, Missouri, Connecticut, New York, Massachusetts, Arkansas, and Rhode Island, any debtor, whether in or out of prison, may have the benefit of the insolvent laws.

In Delaware, Maryland, Tennessee, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Illinois, and New Jersey, persons only are entitled to relief who are imprisoned on civil process. But in Maine, New Hampshire, Kentucky, and Virginia, the relief is confined to debtors charged in execution.

In Vermont, the only law resembling an insolvent act is one of the Legislature of 1855, forbidding voluntary assignments with a preference; but there is a constitutional provision, that the debtor shall not be continued in prison where there is not a strong presumption of fraud, after he has delivered up and assigned, *bona fide*, all his estate for the use or his creditors.

The provisions relating to the effect of the discharge vary, also, in different States. The statutes of Arkansas, New Jersey, North Carolina, Mississippi, Tennessee, Illinois, Georgia, Missouri, Connecticut, Pennsylvania and Ohio exempt only the person of the debtor from imprisonment. The statutes of California, Michigan, and Massachusetts provide for the discharge of the insolvent from liability for the debt itself, if his property be assigned and distributed among his creditors.

The laws of New York upon this subject differ in important respects from those of many of the States. We give a few of its provisions, as abridged from the statutes by Chancellor KENT. "The insolvent laws of New York enable the debtor, with the assent of two thirds in value of his creditors, and on the due disclosure and surrender of his property to be discharged from all his debts contracted within the State, subsequently to the passing of the insolvent act, and due at the time of the

assignment of his property, or contracted before that time, though payable afterwards. The creditor who raises objections to the insolvent's discharge, is entitled to have his allegations heard and determined by a jury. The insolvent is deprived of the benefit of a discharge, if, knowing of his insolvency, or in contemplation of it, he has made any assignment, sale, or transfer, either absolute or conditional, of any part of his estate, or has confessed judgment, or given any security with a view to give a preference for an antecedent debt to any creditor. The discharge applies to all debts founded upon contracts made within the State, or to be executed within it; and for debts due to persons resident within the State at the time of the publication of notice of the application for a discharge, or to persons not residing within the State, but who united in the petition for his discharge, or who accept a dividend from his estate."

If a bankrupt or insolvent, who can be discharged only by the assent or vote of his creditors, gives money to any one or more to obtain their ascent, his discharge is void; and the assignees can recover the money from the creditor. And if he gives the creditor a bond, note, or promise, for the same purpose, the paper or promise is void, and so is the discharge. And it has been held that the discharge was void if money was given for it by some one for the bankrupt, but not by the bankrupt himself, nor with his authority or knowledge.

No certificate of discharge affects the claims of creditors upon co-debtors or sureties of the insolvent. Nor does it reach the liability of the insolvent for torts,—as slander, trespass, or the like; nor for claims for profits of land held by him without title; nor for debts due to him in any capacity or relation of trust, which were not proved before the assignee; nor, generally, for any debts which could not be, by law, proved before the assignee.

FOREIGN BANKRUPTCY OR INSOLVENCY.

The effect of proceedings in bankruptcy in a foreign state has been much discussed and variously determined. The principal question may be stated thus. Let us suppose that an English merchant, resident in England, becomes a bankrupt there; that he has also creditors in New York, and property there; and that after the proceedings in England, which certainly vest in his assignees all his property in that country, his creditors in this country attach his property in New York. Can the assignee in England set aside the attachment in New York, on the ground that the property in New York had passed to the assignee by force of the proceedings in England before the attachment?

After some fluctuation, the courts in England have settled down upon the rule, that the proceedings in bankruptcy in the country of the bankrupt's residence operate upon his assets all over the world. And in France and Holland, and, indeed, among the commercial states of Europe generally, the same rule prevails. It is based upon two principles. One is, that the system of bankrupt law should not be considered as local, but as universal, and that all the various parts of this system in different states should recognize each other, and by their union form a branch of what may be called the private law of nations. Another is, that the bankrupt law, when it sequesters the property of the bankrupt, and passes it over to his assignee, operates precisely like a grant, or sale, or other

transfer of the bankrupt himself, and should be regarded as his own act, done by him under compulsion of law.

In this country, in the earliest cases, it would seem that our courts were disposed to adopt the English rule. But this tendency soon disappeared; and although to this day wise men doubt whether the English rule is not the most reasonable and just, it seems to be admitted that the American rule is the very opposite of the English.

We hold in this country, that the bankrupt and insolvent law form a part of the law of nations in no sense and in no respect; that they not only derive all their force from the authority of the state which enacts them, but have no force whatever—no more than any other local and municipal law—beyond the limits of that sovereignty.

So, too, our courts hold that the cession of the bankrupt's assets to his assignee is not to be regarded as his own act; but rather as the result and effect of his civil death. He has, as a merchant, ceased to be. He has no longer anything to do with his property; and does not possess, and cannot exercise, any more right or power in respect to it than a mere stranger. And the principle on which his assets are to be gathered and distributed is the same which would be applied if he had died insolvent, and an administrator, instead of an assignee, had possession of his property. Hence it follows, that within the state where insolvency goes into effect, it operates on all the property, in the same way that insolvency declared by probate would operate on the effects of a dead man; that is, only within the state where it occurs; leaving creditors under other jurisdictions to get hold of other assets if they can.

Hence an English assignment under the bankrupt law would not defeat the attempt of a creditor in New York to get hold of the property of the bankrupt that was there, provided the English assignee had not previously, in person or by agent, got possession of it; but after the New York debts and claims are satisfied, the English assignee takes all the residue. It may be added, also, that the question and the difference refer to personal goods and chattels only; as real estate has always, in view of the law, a place, and is transferable only under the law of that place.

The English courts do not intimate that their bankrupt law can have any force, as law, abroad; or that any foreign law can have that force in England. But they hold that international comity requires that the tribunals in each state shall recognize this law, and the proceedings under it, in every other. But in this country, it is held that this would be an unreasonable and excessive stretch of comity; and that it is the duty of our courts to protect our citizens against interference with their rights or securities by a foreign law, which was made neither by us nor for us.

The English courts, indeed, have recently manifested a purpose—perhaps in consequence of the American decisions—to limit the operation of their rule to the proceedings under bankruptcy in states which admit the same rule. This is perfectly fair, but it tends to reduce this question of comity or justice into one of mere expediency, concerning which the courts and authorities of every country must judge for themselves, on their own facts.

This question is much more important in this country than it is in England, because the numerous States of the Union are, in the absence of a

national bankrupt law, foreign to each other, in this respect. And vastly more cases and questions, involving far greater amounts of property, arise under this question between our States, than can come under it in England, in reference to foreign bankrupt laws, or the operation of her own in foreign States. Thus, by force of the American rule, if a New York merchant becomes insolvent, a Massachusetts creditor may get security from the insolvent's property in Massachusetts, provided he can get hold of it by attachment before the New York assignee. Everybody agrees that the foreign assignee acquires such an interest in or right to the property, that, if he completes his title by taking possession *first*, no creditor can interfere with him.

There is a similar question, whether a discharge of the debtor under a bankrupt or insolvent law is a discharge of all his debts everywhere. And it has been decided in a similar way, that is, with a similar difference, in England and America. Here, however, this very interesting question is affected importantly by the clause in the national Constitution which prohibits the several States from passing laws which "impair the obligation of contracts"; but the questions which have arisen upon this subject are so nice and difficult, and the adjudication in respect to them is so various and irreconcilable, that it will be impossible to do more than give a very brief statement of what seems to be the result. And even this must be stated with some uncertainty.

The foundation of the whole is a distinction introduced by the Supreme Court of the United States, between the *right* of the creditor and his *remedy*. They say that a State statute which affects the *right* of a creditor is unconstitutional and void. But if it affects only his *remedy* for a breach of his right, it is not unconstitutional. Thus, a statute which exempts the person of a debtor from arrest or imprisonment, touches only the remedy, and is constitutional, although applying to previous debts. But if it discharges the debt, or relieves the property from attachment, or prevents a judgement or execution, or operates as a stay law, that is, a law to prevent process of law, it affects the *right* of the creditor and the *obligation* of the debtor, and is unconstitutional unless limited to debts subsequently incurred. And as a State may pass almost any law about *subsequent* contracts, because then people who make the contracts may know what obligations they assume, if a statute does not say whether it applies to the present or only to the past, it shall if possible be held to be intended to apply only to subsequent debts, because it shall be held to be intended to be constitutional rather than otherwise. But if it expressly covers all debts, whether subsequent or prior, equally, it is unconstitutional as to all subsequent debts. A State may, however, make partial exemptions, as of apparel, tools, or even of a homestead, to a reasonable extent. But the decisions even on this subject are not uniform.

The courts of the United States have held, that no State insolvent law or process can discharge the debts of the citizens of that State, so as to affect the citizens of another State, unless those citizens choose to come into the assignment. This, most of the State courts, if not all, deny. And therefore a citizen of New York, for example, whose Boston debtor has become insolvent, and who chooses not to come into the assignment, but to sue his debtor, brings his action in the Circuit Court of the United States, sitting in Boston; because, if he brought it in the State courts,

they would say the defendant was discharged, and would not sustain the action. It is, however, generally true, that a discharge by the insolvent law of a State in which the contract was made, and should be executed, and of which the debtor was a citizen at the time it was made, is valid in another State. Thus, if a Boston man received in New York the note of a New York man, made there and expressly payable there, and the promisor failed in New York and was discharged there, and the Boston man afterwards caught him in Boston and sued him there, the court of Massachusetts would hold that the defendant was effectually discharged from the debt.

COMMERCIAL CHRONICLE AND REVIEW.

THE PANIC—COMPARISON OF THE PRESENT PANIC WITH FORMER SPRING PANICS—ITS CAUSES—PRICES OF UNITED STATES PAPER AND GOLD—RATES OF DISCOUNT—FALL IN RAILWAY SHARES—DECLINE IN MERCHANDISE—FALLING OFF OF IMPORTS—RATES OF EXCHANGE—PROBABILITIES OF AN EARLY RECOVERY OF PRICES.

THE month through which we have just passed, has witnessed another Spring panic. A heavy fall in the premium on gold, an extensive depression in the prices of all commodities, a tight money market, and a number of heavy mercantile failures, are the features which have successively developed themselves during the month of March, 1865. The panic of the previous year was entirely dissimilar. The latter was simply caused by the sudden absorption by Government of some sixty millions of greenbacks; by resolutely hammering down gold certificates, and sterling exchange; and by the application of other and still more equivocal measures to the purpose of diverting capital from investments in the share market to investments in Government securities, and to the additional purpose, perhaps, of injuring the State banking system in order to make room for the National banking system. The fall in gold was from 184 to 165. Before this had produced any marked effect upon the prices of commodities, the means of the Treasury to still further depress the market were exhausted, gold went up to its former figure in little over a week, and the State banks crept out of their difficulty, though not without a fearful sense of the danger they had been in. The panic had no other permanent effect than to destroy the gold and silver mining bubbles of the day, transfer the capital invested in them to Government securities, and make people a little more careful for a—few months.

The panic of March, 1863, was of even still less virulence. It was directly occasioned by the sale of some ten millions of gold by the Government, and lasted but a few days, knocking gold in three weeks from 171 to 140.

A comparison of the effect on the price of gold in paper currency by these successive Spring panics is interesting:

Spring panic of 1863, March 1st, 171; 6th, 150; 9th, 168; 26th, 140; April 2nd, 158
Spring panic of 1864, April 14th, 181; 19th, 166; 26th, 185.
Spring panic of 1865, March 1st, 201, and then running almost steadily down to 147 on the 24th, and up to 152 on the 31st.

Did there exist no other evidence of the fact, the remarkable periodicity of these crises would afford strong ground for believing that they were promoted by official action. The part that the Treasury played in 1863 and in 1864, in precipitating the revulsions of those years is well known, and the selection of this season of the year for such operations, is the best that could be made. This, with the Fall of the year, are the two most active seasons for the employment of currency. For a short period in both seasons an unusual amount of paper money is in demand to effect exchanges. This is shown in ordinary times by the extension and curtailment of bank circulation and discounts; but in these times it is exhibited in the rise and fall in the purchasing power of the currency; because the currency is fixed in amount, and promissory notes are in little use. The currency, therefore, at these seasons becomes temporarily of more value, and the prices of gold and other commodities fall. No better time could be selected for giving them an additional downward impetus. As between the Fall and the Spring, the latter is preferable, for in the former case havoc is played with the interests of myriads of small farmers, while in the latter it is only the large merchants who suffer, who, though their capitals are larger in amount, as capitalists are fewer in number. An additional advantage consists in the fact, that at this season the Treasury is generally better filled with gold than at any other.

But whatever inference may be deduced from the singular felicity with which Treasury raids are favored at this time of the year, the causes of the present panic must be looked for as far below those of its predecessors, as its effects exceed theirs in importance. Political, financial, and commercial causes have all contributed to it, we think. More than any other, perhaps, it is owing to political causes.

People for a long while past—ever since the fall of Atlanta—have had their minds fixed upon an early return to peace, and a consequent fall in the premium on gold. Reasonable or unreasonable, this opinion has held resolute possession of men's minds, and has affected their commercial transactions. Then came the magnificent series of victories, which, commencing with the capture of Savannah, included the fall of Branchville, Charleston, Wilmington and Columbia, and the junction of SHERMAN'S and SCHOFIELD'S armies. The effect which these triumphs of the Federal arms produced upon the public mind was heightened by the political demonstration which took place in this city on the 6th of March, and which found a responsive echo in every part of the country. We refer, of course, to the jubilee of victory. Here then we find the principal cause which has contributed to the recent decline.

But financial and commercial matters have had something to do with it. We doubt if these victories had occurred in mid-summer, or if the seven-thirty loan had not been successful, that the victories would have had the effect we have seen. The rapid absorption of nearly $160,000,000 by the Government, mainly through the seven-thirty loan, has had a prodigious effect. Very little of this money has been paid out again. But few greenbacks are to be seen. Then the withdrawal of a large amount of State bank notes from circulation preparatory to the conversion of the banks from the State to the National systems, has had some influence in making currency scarce. Add to these reasons, the almost entire cessation of any demand from importers for gold to pay duties with, caused partly by vague ap-

prehensions and partly by the late changes in the Tariff and Internal Revenue laws, and bearing in mind that at this season of the year circulating paper is in more active demand, and we see enough to have caused quite a respectable panic, had no political causes whatever existed.

But it is not likely that any very permanent impression will be made by the late decline. The end has not come yet. Ample time has almost universally been conceded by creditors. The latter class have never been so accommodating before. The crisis will probably blow over. The Treasury, frightened at the prospect of its loans falling in the market below par, has, it is said, commenced to buy gold in order to stiffen matters up again. The following table shows the course of U. S. securities during a falling market in gold :

PRICES OF UNITED STATES PAPER.

	6's, 1881. Reg.	6's, 1881. Coup.	5's, 1874.	5-20's.	10-40's.	1 year certif.	Gold.
March 1....	111	110¾	105	110¼	102¾	98¼	201
" 8,....	111	111¼	....	110⅜	97¾	98¼	196
" 15,....	110	110	100	109¾	97	98¼	178¼
" 22,....	105	105	....	105	91¼	97	158
" 29,....	105	105	....	105	91¼	97	151¼

But let us now see what havoc this recent panic has created. Under the system of banking and the usury laws extant, the pressure is but partially seen in the following quotations for commercial paper :

RATES OF DISCOUNT, MARCH, 1865,

	March 1st to 15th.	March 15th to 31st.
Loans on call, Stock securities.....	6 a 7	7
do. Bond and Mortgage,.....	7	7
Prime endorsed bills, 60 to 90 days,.....	8 a 8¼	9 a 12
do. 4 to 6 months,.....	8 a 9	9 a 12
First class single signatures,.....	8 a 9	9 a 10¼
Other good bills, ..,.....	10 a 12	10 a 15

The fluctuation in the bank discount line will tell the story more plainly. These will be found in another part of this volume.

The principal railway shares have sustained the following decline :

PRICES OF RAILWAY SHARES.

	March 1.	8.	15.	22.	29
New York Central	113	106¼	106	93¼	84
Hudson River,.....	113	112	109¾	98¼	96
Erie,.....	78¼	65¼	64¼	59	45
Cleveland, Col. and Cin., ...	150	...	...	130	....
Reading	113	110¼	106¼	96	89¼
Mich. So. & N. I,.....	66¼	66	64¾	58	50
Illinois Central.....	118¼	117¼	92½	98¼	93¼
Cleveland and Pittsburg.....	77¼	77	70	58	52
Chicago and N. W....	34	33¼	31¼	23	21½
Chicago and R. I.....	95¼	94¼	98	88¼	85¾
Fort Wayne	94¼	91¼	87¼	82¼	76¼

This exhibits a fearful decline, an average of over twenty per cent. during the month. The produce and merchandise markets show a corresponding state of affairs :

	March 1.	March 28.
Ashes, pots, 1st sort	$11. a 11.25	Nominal.
Coffee, Rio, prime	21 a 21½	20½ a 21
Cotton mid. fair, upland	92 a 93	55 a 58
Flour, State, superfine,	9.85 a 10.00	9.20 a 9.40
Hay, N. R. shipping	a 1.65	1.60 a
Nails, cut	8.50 a	a 7.50
Petroleum, crude 40 a 47 gravity	43 a	33 a
Pork, prime mess, new	35.00 a 35.50	26.00 a 27.00
Tobacco, Kentucky lugs	10 a 13	8 a 10
Leather, oak (Sl.) light	48 a 52	47 a 51
Lumber, spruce, Eastern	23 a 27	Nominal.
Corn, white Southern	1.93 a 2.00	1.70 a 1.80
Wheat, white Genesee	2.50 a 2.65	2.25 a 2.40
Sheetings, brown, standard	52½ a	25 a

In the face of this heavy decline, merchants have held their own remarkably well. This is partly owing to the clemency of creditors, all of whom in common with their debtors, look to a speedy recovery of prices to the former level, and partly to the fact that in many businesses, but little credit is in vogue now-a-days. But in others, though no six, eight, or ten months notes are passed, yet short paper at 60 and 90 days is much in use and cramping on short credits is always more severe than on long ones. Many dealers have lost all the profits they had reaped during the war, and some have eaten into their original capital. The decline which follows a fall in gold from 234 in January, to 147 in March, is not likely to have produced but little loss. One-fourth of the wealth of many commercial houses has been swept away during the past six weeks.

The following table shows the imports of dry goods into this port and the gradual cessation of entries for consumption and consequent falling off in gold duties of which mention has already been made:

VALUE OF DRY GOODS ENTERED FOR CONSUMPTION IN MARCH, 1865.

	1864.	1865.
March 2	$2,063,855	$909,229
" 9	2,009,441	672,683
" 16	1,542,663	830,919
" 23	1,341,894	716,009
" 30	2,063,565	709,605
Total	$10,021,418	$3,838,535

WITHDRAWN FROM WAREHOUSE.

March 2	$260,260	$656,232
" 9	253,397	590,183
" 16	315,797	559,025
" 23	244,012	389,750
" 30	190,133	228,817
Total	$1,263,499	$2,424,007

ENTERED FOR WAREHOUSING.

March 2	$511,695	$400,548
" 9	153,972	470,398
" 16	517,967	266,962
" 23	369,392	104,659
" 30	760,683	238,497
Total	$2,613,709	$1,486,064

	1864.	1865.
Total entered for consumption.....	$10,021,418	$3,838,535
Add withdrawn from warehouse.....	1,263,499	2,424,007
Total thrown on the market.....	$11,284,917	$6,262,542
Total entered for warehousing.....	$2,613,709	$1,486,064
Add entered for consumption	10,021,418	3,838,535
Total entered at the port.....	$12,635,127	$5,324,599

The specie movement has been as follows :

SPECIE AND PRICE OF GOLD.

	1864.		1865.			
	Received.	Exported.	Received.	Exported.	Gold in Bank.	Prem. on gold.
Jan. 2,...	$254,239	$590,262	$1,148,850	$594,353	$20,152,892	127 a 127¼
" 9,...	.....	1,216,204	383,519	1,046,251	21,357,608	117⅝ a 121
" 16,...	279,801	1,985,057	50,268	329,833	20,211,569	97½ a 106
" 23,...	365,608	1,000,000	511,019	997,136	18,896,085	113⅝ a 120
" 30,...	324,864	668,747	.....	.....	.....	109 a 114½
Feb. 6,...	.....	662,616	.....	478,777	19,582,308	104¼ a 109
" 13,...	363,198	1,219,808	.....	370,753	20,297,346	104 a 105¼
" 20,...	.....	325,632	264,322	100,382	20,682,319	98½ a 99½
" 27,...	407,067	531,700	.....	148,536	20,092,388	96 a 98
March 5,...	512,358	629,803	.....	33,393	19,830,188	96⅝ a 101
" 12,...	.....	465,920	.....	20,015	20,737,888	86½ a 99
" 18,...	281,304	83,881	.....	108,157	22,256,596*	62½ a 91½
" 25,...	375,101	293,900	.....	164,440	22,006,524	47 a 67½
Total ...	.....	.....	.....	$4,392,526		

The rates of exchange have ruled as follows :

RATES OF EXCHANGE IN GOLD.

	London, 60 days.	Paris, 60 days.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Jan. 7	108½ a 109⅝	5.18¾ a 5.15	41½ a 41⅝	41½ a 41½	36⅝ a 36⅞	72 a 72⅝
" 14	108½ a 109⅝	5.18¾ a 5.13¾	41½ a 41⅝	41 a 41½	36½ a 36⅝	72½ a 72⅝
" 21	108½ a 109⅝	5.18¾ a 5.13¾	41½ a 41⅝	41½ a 41½	36⅝ a 36½	73 a 72½
" 28	108½ a 109⅝	5.20 a 5.18¾	41 a 41⅛	41 a 41½	36⅝ a 36½	72 a 72½
Feb. 4	108 a 109⅛	5.21½ a 5.15	41 a 41⅛	41 a 41⅛	36 a 36⅛	71⅝ a 72
" 11	108½ a 109	5.23¾ a 5.15	40⅝ a 41½	40⅝ a 41½	35⅝ a 36½	71⅝ a 72½
" 18	107 a 108⅝	5.27½ a 5.20	40½ a 41⅛	40½ a 41	35½ a 36⅛	71½ a 72
" 25	108 a 108½	5.27½ a 5.18¾	40½ a 40½	40½ a 41	35½ a 36⅛	71½ a 72
Mch. 4	108 a 108½	5.27½ a 5.21½	40⅛ a 41½	40⅛ a 40⅝	36⅛ a 36½	71½ a 71⅝
" 11	107⅝ a 108½	5.27½ a 5.22½	40½ a 41½	40½ a 40⅝	35½ a 36½	70⅝ a 71½
" 18	109½ a 109⅝	5 21½ a 5.13¾	41 a 41⅛	41 a 41⅛	36 a 36⅛	71½ a 72
" 25	109 a 109½	5.20 a 5.15	41 a 41⅛	40⅝ a 41½	36 a 36½	71½ a 72

In regard to the probabilities of early recovery from the prevailing depression, the effect of whatever military successes may yet await us has undoubtedly been already discounted. The Treasury will soon be obliged to pay out a large portion of whatever amounts of currency it has succeeded in temporarily absorbing, though we believe the policy of the new Secretary to be in favor of reducing the redundancy all that he can, and we think he will succeed in carrying out this policy to a great extent. Goods meanwhile will be hammered without mercy, and when the urgent necessities of merchants have been relieved, the spring trade will fall off, and the demand for currency concomitantly cease. With a little further pressure, therefore, the general markets may be expected to gradu-

* Two new National Banks now first included in the totals.

ally recover, and as the summer is ushered in, something very like the old state of affairs may exist again. And particularly if peace occurs; for then, the end being known, we can see nothing to prevent another rise in prices. Meanwhile, between these two high tides of inflation, the past one and the future one, those who cannot live in such low tides as now prevail will be stranded; to float again, perhaps, upon the returning flood. Yet these great ebbs of currency will leave their mark upon every industry, and so gradually weaken the resources of dealers. Opportunities to make up for sacrifices that are now unavoidable may never occur. This should caution merchants and others to be more prudent. It is difficult to get out of the scrape now. To wind up might prove ruinous; to go on, as bad. Great prudence and great judgment is required. The return of peace will play as much immediate havoc with mercantile houses as the coming of war did. This is the compensation of forces. Mr. McCulloch has now the commercial destinies of this country in his hands. We trust he will act with wisdom and moderation, and show no favor to one interest more than to another—to the agricultural more than to the mechanical—or to either more than to the commercial. Let him remember that the merchant is just as much a producer as is the farmer, or the mechanic. With his success the country succeeds; with his failure the well-being of all must suffer.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

APPOINTMENT OF HON. HUGH MCCULLOCH AS SECRETARY OF THE TREASURY—THE SEVEN-THIRTY LOAN—THE MONEY PANIC—TRUE PRINCIPLES OF MONEY AND BANKING—THE CURRENCY MUST NOT BE FIXED IN AMOUNT—IT MUST BE LEFT FREE—SPECIE PAYMENTS CALLED FOR—THE RIVAL BANKING SYSTEMS TO STAND ON THEIR OWN MERITS—RETURNS OF THE NEW YORK CITY BANKS—THE LEGAL TENDER RULE—RETURNS OF PHILADELPHIA BANKS—RETURNS OF BOSTON BANKS—THE BANKS OF ENGLAND AND FRANCE.

The chief events of the month have been the appointment of Hon. Hugh McCulloch as Secretary of the United States Treasury, the taking of the seven-thirty loan to the extent of over twenty-five millions per week, and the money panic, to which reference has been made in another part of this volume.

Mr. McCulloch, unlike his predecessor, brings to the Treasury Department the experience of a practical banker, a faculty which, in these days of fiscal experiments, cannot be too highly rated. In addition to this, he enjoys the advantage of being intimately acquainted with the details of the department over which he now presides, having served as Comptroller of the Currency since that office was created. No man, coming into the office which he has, ever had so much to perform, so excellent an occasion on which to perform it, so many powerful tools to work with, and so many people to gratify by performing it successfully. This consists in no less than entirely remodelling the monetary system of the country. For this great mission Mr. McCulloch is well fitted, the time is apt, and the people ready to applaud its execution. But what is done must be done gingerly. A great deal remains to be undone before anything

can be done. Yet, pinch whose shoes it may, reform must go on, and the sooner it goes on the better. Mr. McCulloch probably knows that money is anything that is used for the purpose of exchanging values: that specie is money, bank bills are money, promissory notes are money, book credits are money; that these various kinds of money have various rates of circulation: that specie circulates more than any other kind of money, bank bills next, promissory notes next—having but the faculty of circulating two or three times on the average,—and that book credits circulate less than all, seldom possessing the faculty of more than a single circulation. That if left to itself the quantity and the kinds of money needed by society will adjust themselves to the demand: that in times of security and peace, time-notes and credits will be largely used, and specie and bank notes very little used: and that, in times of war and danger, specie and bank notes will be largely used, and time-notes and credits scarcely used at all. That though in war or other times of insecurity, more quickly circulating paper may be employed for money than at other times, it does not follow that the amount of it should be fixed and unalterable, because the wants of society change from moment to moment, and the demand for currency, with which to supply those wants, changes as often as the wants do. That, consequently, any currency which is fixed in amount—no matter if it is only fixed for an hour at a time—and not free to come into existence, and to be demonetized, whenever required, is an evil. It is an evil, because the demand for it being varied every moment, the value of it must vary every moment, and continual fluctuations in the prices of commodities must be the result. It matters not if such a currency be made of paper or gold or what not. If not left free to ebb and flow, it must continually fluctuate in purchasing value. If gold could not be melted or exported or imported or coined at pleasure, the same effects would ensue with gold as with paper currency.

All this Mr. McCulloch is well aware of. Not that such knowledge follows as a matter of course from the fact of his having been appointed the Secretary of the Treasury; for Mr. Chase did not know it, and neither did Mr. Fessenden. But Mr. McCulloch knows it, and the people of this country, and particularly the mercantile community who suffer most from its being ignored, earnestly ask him to recognise these important elementary truths of political economy in the practical operations of the Treasury. The time has now passed when any excuse existed, if any ever did exist, for the use of a fixed currency. The currency should be free, and to be free it must either be of some substance capable of being demonetized or shipped abroad at pleasure, and *vice versa*, or it must be convertible at pleasure into such a substance. We all know that this means specie. In plain words, we want specie payments again. No doubt but that in the present state of diminished credit several hundred millions of United States Treasury notes, even if inconvertible, would continue to be used as currency, and need not, therefore, be withdrawn from circulation. But we would have this left entirely free to itself. If the people desired to use them, well and good. If not, they should be left free to use what currency they deemed best.

With this great reform all minor difficulties that now attend the system of banking in this country would vanish. The rival systems would find their

respective levels, and a good deal of that gloom would be dispelled which now hangs over the future of banking in the United States.

The frequent changes of banks, from the State system to the National, deprive the statements, at least for a time, of much of the value which they formerly possessed.

NEW YORK CITY BANKS.

NEW YORK BANKS. (*Capital, Jan.*, 1864, $69,494,577; *Jan.*, 1865, $69,558,787.)

Date.		Loans.	Specie.	Circulation.	Net Deposits.	Clearings.
Dec.	24,..	$203,512,093	$20,600,441	$3,383,346	$153,805,909	$593,336,137
"	31,..	199,444,969	19,662,211	3,283,832	147,442,071	471,089,253
Jan.	7,..	195,044,687	20,152,892	3,183,526	147,821,891	535,055,671
"	14,..	189,686,750	21,357,608	3,074,029	148,931,299	538,780,682
"	21,..	187,060,586	20,211,569	2,979,851	146,068,355	611,194,907
"	28,..	169,502,630	18,174,316	2,906,194	143,842,230	656,828,378
Feb.	4,..	185,639,790	19,682,308	2,868,646	152,703,316	663,814,434
"	11,..	185,515,904	20,297,346	2,821,996	156,711,166	584,179,409
"	18,..	186,365,126	20,682,319	2,855,982	156,150,634	518,805,223
"	25,..	183,534,735	20,092,378	2,739,338	153,946,481	481,028,121
March	4,..	186,569,665	19,530,188	2,720,666	153,009,588	511,861,387
"	11,..	188,120,890	20,737,838	2,741,684	152,134,448	412,302,453
"	*18,..	211,486,651	22,256,596	4,662,505	174,479,367	635,736,283
"	25,..	207,677,503	22,066,524	4,457,162	166,965,503	604,796,726

The Clearing House has introduced an excellent feature in requiring the banks to state the amount of Legal Tender they have on hand.

The following are the weekly returns of the New York City banks from the commencement of this rule:

March	11....	Legal Tender.....	$26,713,408
"	18....	Do.	33,645,014
"	25....	Do.	35,295,156

The following are the returns of the Philadelphia banks:

PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan.*, 1863, $11,740,080; 1865, $13,315,720.)

Date. 1865.	Loans.	Specie.	Circulation.	Deposits.	Legal tenders.
Jan. 2,...	$48,059,403	$1,803,583	$2,793,468	$39,845,963	$14,524,175
" 9,...	49,250,629	1,781,108	2,978,035	41,001,803	15,297,223
" 16,...	49,833,799	1,750,669	3,228,785	43,121,208	17,003,905
" 23,...	49,755,716	1,792,891	3,606,051	40,186,513	15,939,598
" 30,...	50,056,584	1,773,266	4,010,192	39,822,860	15,572,893
Feb. 6,...	50,269,473	1,702,776	4,393,173	38,496,337	14,000,852
" 13,...	49,511,483	1,629,957	4,660,697	37,340,531	14,295,547
" 20,...	48,639,386	1,569,223	4,866,771	37,141,900	13,922,954
" 27,...	48,992,272	1,498,644	5,077,436	39,011,100	15,393,502
Mar. 6,...	49,228,540	1,389,264	5,446,021	38,391,622	15,200,287
" 13,...	49,297,223	1,422,736	5,906,791	38,655,908	15,487,835
" 20,...	48,976,280	1,323,274	5,609,276	38,673,804	15,796,782
" 27,...	50,255,294	1,350,968	5,736,660	39,117,258	16,866,146

CHANGES IN CAPITAL STOCK.

Feb. 27, $14,485,450 | Mar. 6, $14,494,050 | Mar. 13, $14,495,550

The following are the returns of the banks of Boston, except those which have reorganized under the National law. They make no returns. Their circulation

* The items, except specie, would all show a decrease for the week but for the addition of two new National Banks, now first included in the totals.

is, however, included in these figures. With the other National Banks, they number about thirty institutions.

BOSTON BANKS.

BOSTON BANKS. (*Capital, Jan.*, 1863, $38,231,700; *Jan.*, 1865, $22,350,000.)

Date. 1865.	Loans.	Specie.	Circulation.	Deposits.
January 2.....	$46,312,701	$3,434,323	$7,766,888	$23,086,775
" 9.....	33,707,472	2,903,469	7,803,528	16,772,600
" 16.....	33,444,460	2,862,939	7,529,229	15,926,720
" 23.....	33,160,490	2,797,093	7,126,253	16,058,310
" 30.....	33,025,868	2,659,568	6,792,950	16,343,192
February 6.....	25,609,695	2,245,510	6,581,880	12,641,033
" 13.....	23,609,664	2,087,995	6,345,912	11,031,733
" 20.....	23,533,879	2,039,669	5,094,370	10,621,322
" 27.....	22,872,774	1,932,769	6,278,194	9,789,000
March 7.....	22,825,217	1,877,323	5,843,974	9,961,545
" 14.....	21,224,401	1,700,714	5,580,219	9,435,578
" 21.....	21,206,180	1,524,401	5,435,928	9,393,224
" 28. ...	20,952,000	1,426,700	5,279,700	8,958,800

The following are the returns of the Bank of England:

THE BANK OF ENGLAND RETURNS (IN POUNDS STERLING).

Date. 1865.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 7,...	20,118,116	6,468,544	12,666,764	28,726,674	13,840,691	7 per ct.
" 14,...	19,669,832	7,161,719	12,267,474	28,301,608	14,122,711	6 "
" 21,...	19,669,007	7,694,616	12,927,807	29,326,027	14,307,760	6 "
" 28,...	19,810,455	8,601,125	13,040,643	30,708,083	14,100,974	6 "
Jan. 4,...	21,007,215	8,500,269	13,874,977	32,832,904	13,938,592	6 "
" 11,...	21,012,778	4,445,535	16,174,166	30,957,380	14,097,390	5½ "
" 18,...	21,223,648	4,186,614	14,658,015	29,292,273	14,163,227	5½ "
" 25,...	20,614,794	4,836,799	14,553,933	29,173,458	14,317,215	5 "
Feb. 1,...	20,998,478	5,541,452	14,447,994	30,040,983	14,461,224	5 "
" 8,...	20,743,805	6,252,892	13,814,063	29,908,102	14,511,611	5 "
" 15,...	20,399,763	6,572,512	13,969,659	30,007,199	14,553,871	5 "
" 22,...	20,101,978	6,665,364	14,140,885	29,910,491	14,600,233	4½ "
Mar. 1,...	20,381,080	6,854,409	14,158,331	30,424,108	14,801,367	4½ "
" 8,...	20,281,455	7,677,728	13,904,702	30,949,096	14,758,607	4½ "

This shows, for the week ending March 8th, a withdrawal of £253,629 from the private deposits, and an addition of £524,987 to the private securities, as compared with the previous week. The decrease in coin and bullion is £42,760. The principal feature in the London market is a dullness in the Government funds (British), and a decline of consols to 88¼, in expectation of gold shipments having to be made to this country. In view of the recent fall in gold on this side, and the probability of the shipment of five-twenties, held in Europe, to this market, in order to realize at the present handsome profit, the expectation of gold shipments to this country may not be well founded.

BANK OF FRANCE.

	Loans.	Cash and Bullion.	Circulation.	Deposits.	Interest.
December 8	fr.566,921,053	fr.355,640,597	fr.722,291,475	fr.178,968,028	5
" 15	586,521,733	351,562,024	739,383,125	161,270,492	5
" 22	561,603,376	364,008,378	721,487,475	153,198,515	4½
" 29	597,157,840	359,969,767	726,212,275	171,321,867	"
January 5	690,129,259	330,071,913	790,526,625	190,488,131	4½
" 12	677,690,909	314,771,593	806,325,675	153,188,384	4½
" 19	667,121,414	318,170,064	817,443,275	142,120,960	4½
" 26	642,779,237	322,119,477	808,283,925	139,123,008	4½

February	2	651,375,290	318,454,492	812,425,525	143,430,627	4½
"	9	636,303,905	339,240,543	805,966,575	153,039,752	4
"	16	604,140,057	354,573,163	801,601,175	139.995,788	4
"	23	584,895,098	371,630,673	785,025,125	150,235,834	4
March	2	569,812,574	381,455,854	772,377,175	192,866,298	4
"	9	544,867,920	410,774,986	773,843,825	166,985,971	3½

An increase of one hundred millions of francs in the stock of coin and bullion, and a decrease of one hundred and fifty millions in the discount line, within two months, are the principal features of this exhibit. They testify to a depression in commerce which is really painful to contemplate. The stock of coin and bullion now exceeds one-half of the notes in circulation. In consequence of this plethora, the rate of interest has been lowered to 3½ per cent.

THE NEW TARIFF.

We give below an official copy of the Tariff Act passed by Congress and approved March 3, 1865. It takes effect the first of April. To understand this law it will be necessary to refer to the tariff acts passed at the previous sessions of Congress and approved July 14, 1862, and June 30, 1864. The former may be found in vol. 47, page 157, (August, 1862,) and the latter in vol. 51, page 47, (July, 1864,) of the *Merchants' Magazine*. In transmitting the act, the Secretary of the Treasury accompanies it with the following circular giving a liberal interpretation to its provisions:

Treasury Department, March 11, 1865.

Sir: I transmit herewith an act, amendatory of certain acts imposing duties on imports, approved March 3, 1865.

The second proviso in section 4 of this act does not repeal the 4th section of "the act to modify existing laws imposing duties on imports, and for other purposes," approved March 3, 1863. Vessels trading "to or from any port or place south of Mexico, down to, and including Aspinwall and Panama," will pay the tonnage duty of thirty cents per ton, only once a year.

The 9th section enacts "that this act shall take effect on and after the first day of April, eighteen hundred and sixty-five;" consequently, in the absence of any provision of law to the contrary, you will cause the rates of duty imposed by this act to be assessed only on such goods, wares, and merchandise as may be imported on or after the 1st proximo. Goods imported prior to the 1st proximo, whether under bond or otherwise, are not liable to the increased rates imposed by this act.

Applications for relief under the 13th section of this act must be made in the manner prescribed by articles 524, 525, 526, 527, 528, 529, and 530, of the General Regulations; as that section extends the relief provided by the 8th section of the act of March 28, 1854, to the cases specified in said 13th section.

I am, very respectfully,

Hugh McCulloch, Secretary of the Treasury.

OFFICIAL.

Laws of the United States passed at the second session of the Thirty-eighth Congress.

[PUBLIC—NO. 58.]

AN ACT amendatory of certain acts imposing duties upon foreign importations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section six of an act entitled "An act to increase the duties on imports and for other purposes," approved June thirty, eighteen hundred and sixty-four, be amended so that paragraph second, third and fourth of section six of said act shall read as follows:

Second. On all manufactures of cotton, (except jeans, denims, drillings, bed tickings, ginghams, plaids, cottonades, pantaloon stuff, and goods of like description,) not bleached, colored, stained, painted, or printed, and not exceeding one hundred threads to the square inch, counting the warp and filling, and exceeding in weight five ounces per square yard, five cents per square yard; if bleached, five cents and a half per square yard; if colored, stained, painted, or printed, five cents and a-half per square yard, and, in addition thereto, ten per centum ad valorem. On finer and lighter goods of like description, not exceeding two hundred threads to the square inch, counting the warp and filling, unbleached, five cents per square yard; if bleached, five and a-half cents per square yard; if colored, stained, painted, or printed, five and a-half cents per square yard, and in addition thereto, twenty per centum ad valorem. On goods of like description, exceeding two hundred threads to the square inch, counting the warp and filling, unbleached, five cents per square yard; if bleached, five and a-half cents per square yard; if colored, stained, painted, or printed, five and a-half cents per square yard, and in addition thereto, twenty per centum ad valorem.

Third. On all cotton jeans, denims, drillings, bed tickings, ginghams, plaids, cottonades, pantaloon stuffs, and goods of like description, or for similar use, if unbleached, and not exceeding one hundred threads to the square inch, counting the warp and filling, and exceeding five ounces to the square yard, six cents per square yard; if bleached, six cents and a-half per square yard; if colored, stained, painted, or printed, six cents and a-half per square yard, and in addition thereto, ten per centum ad valorem. On finer or lighter goods of like description, not exceeding two hundred threads to the square inch, counting the warp and filling, if unbleached, six cents per square yard; if bleached, six and a-half cents per square yard; if colored, stained, painted, or printed, six and a-half cents per square yard, and in addition thereto fifteen per centum ad valorem. On goods of lighter description, exceeding two hundred threads to the square inch, counting the warp and filling, if unbleached, seven cents per square yard; if bleached, seven and a-half cents per square yard; if colored, stained, painted, or printed, seven and a-half cents per square yard, and, in addition thereto fifteen per cent ad valorem. *Provided*, That upon all plain woven cotton goods, not included in the foregoing schedule, unbleached, valued at over sixteen cents per square yard, bleached, valued at over twenty cents per square yard, colored, valued at over twenty-five cents per square yard, and cotton jeans, denims, and drillings, unbleached, valued at over twenty cents per square yard, and all other cotton goods of every description, the value of which shall exceed twenty-five

cents per square yard, there shall be levied, collected, and paid a duty of thirty-five per centum ad valorem; *And provided further*, That no cotton goods having more than two hundred threads to the square inch, counting the warp and filling, shall be admitted to a less rate of duty than is provided for goods which are of that number of threads.

Fourth. On spool thread of cotton, six cents per dozen spools, containing on each spool not exceeding one hundred yards of thread, and in addition thereto, thirty per centum ad valorem; exceeding one hundred yards, for every additional hundred yards of thread on each spool or fractional part thereof in excess of one hundred yards, six cents per dozen, and thirty-five per centum ad valorem. On cotton thread or yarn when advanced beyond single yarn, by twisting two or more strands together, if not wound upon spools, four (4) cents per skein, or hank of eight hundred and forty (840) yards, and thirty per cent ad valorem.

Sec. 2. *And be it further enacted*, That from and after the day when this act takes effect, in addition to the duties heretofore imposed by law on the importation of the articles mentioned in this section, there shall be levied, collected, and paid the following duties and rates of duty, that is to say:

On brandy, rum, gin, and whisky, and on cordials, liquors, arrack, absynthe, and all other spirituous liquors and spirituous beverages, 50 cents per gallon of first proof and less strength, and shall be increased in proportion for any greater strength than the strength of first proof.

On spun silk for filling in skins or cops, 10 per centum ad valorem.

On iron bars for railroads or inclined planes, 10 cents per 100 pounds.

On wrought iron tubes, one cent per pound.

Sec. 3. *And be it further enacted*, That from and after this act takes effect, in lieu of the duties heretofore imposed by law on the importation of the articles mentioned in this section, there shall be levied, collected, and paid the following duties and rates of duty, that is to say:

On cotton, five cents per pound.

On illuminating oil and naphtha, benzine, and benzole, refined or produced from the distillation of coal, asphaltum, shale, peat, petroleum, or rock oil, or other bituminous substances used for like purposes, forty cents per gallon.

On crude petroleum, or rock oil, 20 cents per gallon.

On crude coal oil, 15 cents per gallon.

On tobacco stems, 15 cents per pound.

On ready made clothing of silk, or of which silk shall be a component material of chief value, 60 per centum ad valorem.

On quicksilver, 15 per centum ad valorem.

Sec. 4. *And be it further enacted*, That section fifteen of an act entitled "An act increasing temporarily the duties on imports, and for other purposes," approved July fourteenth, eighteen hundred and sixty-two, be, and the same hereby is, amended so as to impose a tax or tonnage duty of thirty cents per ton in lieu of "ten cents," as therein mentioned: *Provided*, That the receipts of vessels paying tonnage duty shall not be subject to the tax provided in section one hundred and three of "An act to provide internal revenue to support the government, to pay interests on the public debt, and for other purposes," approved June thirtieth, eighteen hundred and sixty-four, nor by any act amendatory thereof; *Provided*,

further, That no ship, vessel, or steamer having a license to trade between different districts of the United States, or to carry on the bank, whale, or other fisheries, or *on* any ship, vessel, or steamer to or from any port or place in Mexico, the British provinces of North America, or any of the West India Islands, or in all these trades, shall be required to pay the tonnage duty contemplated by this act more than once a year.

Sec. 5. *And be it further enacted*, That the term "statuary," as used in the laws now in force, imposing duties on foreign importations, shall be understood to include professional productions of a statuary, or of a sculptor only.

Sec. 6. *And be it further enacted*, That there shall be hereafter collected and paid on all goods, wares, and merchandise of the growth or produce of countries [east] of the Cape of Good Hope, (except raw cotton and raw silk as reeled from the cocoon, or not further advanced than tram, thrown, or organzine,) when imported from places west of the Cape of Good Hope, a duty of ten per centum ad valorem, in addition to the duties imposed on any such article when imported directly from the place or places of their growth or production.

Sec. 7. *And be it further enacted*, That in all cases where there is, or shall be imposed any ad valorem rate of duty on any goods, wares, or merchandise imported into the United States, and in all cases where the duty imposed by law shall be regulated by, or directed to be estimated or based upon the value of the square yard, or of any specified quantity or parcel of such goods, wares, or merchandise, it shall be the duty of the collector within whose district the same shall be imported or entered, to cause the actual market value or wholesale price thereof, at the period of the exportation to the United States, in the principal markets of the country from which the same shall have been imported into the United States, to be appraised, and such appraised value shall be considered the value upon which duty shall be assessed. That it shall be lawful for the owner, consignee, or agent of any goods, wares, or merchandise, which shall have been actually purchased or procured otherwise than by purchase, at the time and not afterwards, when he shall produce his original invoice or invoices to the collector, and make and verify his written entry of his goods, wares, or merchandise, as provided by section thirty-six of the act of March two, seventeen hundred and ninety-nine, entitled "An act to regulate the collection of duties on imports and tonnage," to make such addition in the entry to the cost or value given in the invoice as in his opinion may raise the same to the actual market value or wholesale price of such goods, wares, or merchandise, at the period of exportation to the United States, in the principal markets of the country from which the same shall have been imported, and it shall be the duty of the collector within whose district the same may be imported or entered, to cause such actual market value or wholesale price to be appraised in accordance with the provisions of existing laws, and if such appraised value shall exceed, by ten per centum or more, the value so declared in the entry, then, in addition to the duties imposed by law on the same, there shall be levied, collected, and paid a duty of twenty per centum ad valorem on such appraised value: *Provided*, That the duty shall not be assessed upon an amount less than the invoice or entered value, any act of Congress to the contrary notwithstanding: *And provided, further*, That the sections twenty-third and twenty-fourth of the act approved June thirtieth, eighteen hun-

dred and sixty-four, entitled "An act to increase duties on imports, and for other purposes," and all acts andrirups gin dut qeao fcsa,tries to be assessed upon commissions, brokerage, costs of transportation, shipment, trans shipment, and other like costs and charges incurred in placing any goods, wares, or merchandise on shipboard, and all acts or parts of acts inconsistent with the provisions of this act are hereby repealed.

Sec. 8. *And be it further enacted*, That so much of an act entitled "An act to authorize protection to be given to citizens of the United States who may discover deposits of guano," approved August eighteen, eighteen hundred and fifty-six, as prohibits the export thereof, is hereby suspended in relation to all persons who have complied with the provisions of section second of said act, for two years from and after July fourteenth, eighteen hundred and sixty-five.

Sec. 9. *And be it further enacted*, That this act shall take effect on and after the first day [of] April, eighteen hundred and sixty-five.

Sec. 10. *And be it further enacted*, That so much of sections thirty-nine, forty, forty-one, forty-two, forty-three, and forty-four of the act entitled "An act to regulate the [collection of] duties on imports and tonnage," approved March second, seventeen hundred and ninety-nine, as requires the branding or marking, and certifying of casks, chests, vessels, and cases containing distilled spirits or teas, be, and the same is hereby, revived, to be executed under such rules and regulations as shall be prescribed by the Secretary of the Treasury.

Sec. 11. *And be it further enacted*, That flax and hemp machinery and steam agricultural machinery, as designated in section 21 of the act, "to increase duties on imports and for other purposes," approved June thirtieth, eighteen hundred and sixty-four, may be imported free from duty for one year from the passage of this act.

Sec. 12. *And be it further enacted*, That in all proceedings brought by the United States in any court for due recovery as well of duties upon imports alone, as of penalties for the non-payment thereof, the judgment shall recite that the same is rendered for duties, and such judgment, interests, and costs shall be payable in the coin by law receivable for duties, and the execution issued on such judgment shall set forth that the recovery is for duties, and shall require the marshal to satisfy the same in the coin by law receivable for duties, and in case of levy upon and sale of the property of the judgment debtor the marshal shall refuse payment from any purchaser at such sale, in any other money than that specified in the execution.

Sec. 13. *And be it further enacted*, That the eighth section of the act of March twenty-third, eighteen hundred and fifty-four, "to extend the warehousing system by establishing private bonded warehouses and for other purposes," which authorized the Secretary of the Treasury, in case of the actual injury or destruction of goods, wares, or merchandise by accidental fire, or other casualty, while in warehouse under bond, &c., to abate or refund the duties paid, or accruing thereon, be extended so as to include goods, wares, or merchandise injured or destroyed in like manner, while in the custody of the officers of the customs, and not in bond; and also to goods, wares, and merchandise, so injured or destroyed, after their arrival within the limits of any port of entry of the United States, and before the same have been bonded [landed] under the *suspension* [supervision] of the officers of the

customs: *Provided*, That this act shall apply only to cases arising from and after its passage, and to cases where the duties have not already been paid.

Approved, March 3, 1865.

AMENDMENTS TO THE UNITED STATES INTERNAL REVENUE LAW.

[We give the following official copy of the Internal Revenue act approved March 3, 1865. The notes are inserted as the readiest mode of pointing out the nature of the several amendments.]

(OFFICIAL COPY.)

AN ACT to amend an act entitled 'An act to provide internal revenue to support the Government, to pay interest on the public debt, and for other purposes,' approved June thirtieth, eighteen hundred and sixty-four.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the act entitled 'An act to provide internal revenue to support the Government, to pay interest on the public debt, and for other purposes,' approved June thirtieth, eighteen hundred and sixty-four, be, and the same is hereby, amended as hereinafter set forth, namely:

That *section four be amended by striking out the word 'five' and inserting in lieu thereof the word 'ten.'

That †section eight be amended by striking out, after the words 'within each of which the,' the words 'Secretary of the Treasury, whenever there shall be a vacancy, or the public interest shall require, shall appoint, with the approval of the said commissioner, one assistant assessor, who shall be a resident of the district of said assessor,' and inserting in lieu thereof the words 'assessor, whenever there shall be a vacancy, shall appoint, with the approval of said commissioner, one or more assistant assessor[s,] who shall be a resident of such assessment district.'

That ‡section fourteen be amended by striking out the word 'fifty,' and inserting in lieu thereof the words 'twenty five.'

That ‖section twenty-five be amended by inserting after the words 'four hundred thousand dollars,' the words 'and not exceeding one million of dollars, and one-eighth of one per centum on all sums above one million of dollars;' by inserting after the words 'reasonable charges for,' the word 'advertising;' and by

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* This increases the number of revenue agents to ten.

† This amendment vests the appointment of assistant assessors in the assessor, and provides for one or more assistants in each division, when necessary.

‡ The assessed penalty for failure to make return is reduced to twenty-five per cent.

‖ Collectors are allowed commissions on the total amount collected, at the rates of three per cent on the first hundred thousand dollars, one per cent on the next three hundred thousand dollars, one-half of one per cent on the next six hundred thousand dollars, and one-eighth of one per cent on all sums above one million dollars. The five thousand and ten thousand dollar limitations are stricken out, so that statements of expenses will be unnecessary, unless additional allowance is asked for. Collectors are also allowed their reasonable charges for advertising in the same manner as for stationery.

striking out all of the first proviso; and by striking out the word 'further,' in the second proviso.

That *section twenty-six be amended by striking out the word 'apportionment,' and inserting in lieu thereof the word 'appointment.'

That †section twenty-eight be amended by striking out all after the enacting clause and inserting in lieu thereof the words, 'That each of said collectors shall, within twenty days after receiving his annual collection list from the assessors, give notice, by advertisement published in each county in his collection district, in one newspaper printed in such county, if any such there be, and by notifications to be posted up in at least four public places in each county in his collection district, that the said duties have become due and payable, and state the time and place within said county at which he or his deputy will attend to receive the same, which time shall not be less than ten days after such notification. And if any person shall neglect to pay, as aforesaid, for more than ten days, it shall be the duty of the collector or his deputy to issue to such person a notice, to be left at his dwelling or usual place of business, or be sent by mail, demanding the payment of said duties or taxes, stating the amount thereof, with a fee of twenty cents for the issuing and service of such notice, and with four cents for each mile actually and necessarily traveled in serving the same. And if such persons shall not pay the duties or taxes, and the fee of twenty cents and mileage as aforesaid, within ten days after the service or the sending by mail of such notice, it shall be the duty of the collector or his deputy to collect the said duties or taxes, and fee of twenty cents and mileage, with a penalty of ten per centum additional upon the amount of duties. And with respect to all such duties or taxes as are not included in the annual lists aforesaid, and all taxes and duties the collection of which is not otherwise provided for in this act, it shall be the duty of each collector, in person or by deputy, to demand payment thereof, in the manner last mentioned, within ten days from and after receiving the list thereof from the assessor, or within twenty days from and after the expiration of the time within which such duty or tax should have been paid; and if the annual or other duties shall not be paid within ten days from and after such demand therefor, it shall be lawful for such collector, or his deputies, to proceed to collect the said duties or taxes, with ten per centum additional thereto, as aforesaid, by distraint and sale of the goods, chattels, or effects of the persons delinquent as aforesaid. And in case of distraint, it shall be the duty of the officer charged with the collection, to make, or cause to be made, an account of the goods or chattels distrained, a copy of which, signed by the officer making such distraint, shall be left with the owner or possessor of such goods, chattels, or effects, or at his or her dwelling, or usual place of business, with some person of suitable age and discretion, if any such can be found, with a note of the sum demanded, and the time and place of sale; and the said officer shall forthwith cause a notification to be published in some newspaper within the county wherein said distraint is made, if there is a newspaper published in said county, or to be publicly posted

* The amendment to section 26 is merely verbal.

† Under section 28, as amended, the penalty of ten per cent for non-payment, so far as the annual taxes are concerned, attaches only upon failure to pay within ten days after demand, instead of upon failure to pay at the advertised time.

up at the post office, if there be one within five miles, nearest to the residence of the person whose property shall be distrained, and in not less than two other public places, which notice shall specify the articles distrained, and the time and place for the sale thereof, which time shall not be less than ten nor more than twenty days from the date of such notification, [and] the place proposed for sale not more than five miles distant from the place of making such distraint. And *in any case in which any person, bank, association, company, or corporation required by law to make return to the Commissioner of Internal Revenue shall refuse or neglect to make such return within the time specified, the amount of circulation, deposit, and capital, or either, shall be estimated by the proper assessor or assistant assessor, and shall be certified by him to the Commissioner. And in all cases in which the person, bank, association, company, or corporation required by law to make payment of taxes to the Commissioner shall neglect or refuse to make such payment within the time required, the Commissioner shall certify the amount of tax due by such person, bank, association, or corporation, with all the penalties, additions, and expenses accruing to the collector of the proper district, who shall collect the same by distraint and sale, as in other cases. And† the same proceedings may be had to enforce the collection of taxes which have already accrued and which still remain unpaid. And‡ if any person, bank, association, company, or corporation liable to pay any duty shall neglect or refuse to pay the same after demand, the amount shall be a lien in favor of the United States from the time it was due until paid, with the interests, penalties, and costs that may accrue in addition thereto, upon all property and rights to property; and the collector, after demand, may levy, or by warrant may authorize a deputy collector, to levy upon all property and rights to property belonging to such person, bank, association, company, or corporation, or on which the said lien exists, for the payment of the sum due as aforesaid, with interest and penalty for non-payment, and also of such further sum as shall be sufficient for the fees, costs, and expenses of such levy. And in all cases of sale, the certificate of such sale by the collector shall have the same effect as is prescribed by the one hundred and nineteenth section of the act to which this is an amendment. And‖ all persons and officers of companies or corporations are required, on demand of a collector or deputy collector about to distrain or having distrained on any property and rights of property, to exhibit all books containing or supposed to contain evidence or statements relating to the subject or subjects of distraint, or the property or rights of property liable to distraint for the tax so due as aforesaid: *Provided*, That in any case of distraint for the payment of the duties or taxes aforesaid, the goods, chattels, or effects so distrained shall and may be restored to the owner or possessor, if prior to the sale payment of the amount due or

* This authorizes the assessor or assistant assessor to make the assessment in case of failure to make the return required by section 110; and the next sentence provides for collection of the tax by distraint.

† Taxes heretofore due and unpaid may be collected in the same manner as those hereafter accruing.

‡ Every tax is made a lien from the time it is due, and collectors are authorized to distrain upon securities.

‖ All books containing evidence relating to property, or rights to property, liable to distraint, must be exhibited to the collector upon demand therefor.

tender thereof shall be made to the proper officer charged with the collection of the full amount demanded, together with such fee for levying, and such sum for the necessary and reasonable expense of removing, advertising, and keeping [the] goods, chattels, or effects so distrained, as may be prescribed by the Commissioner of Internal Revenue; but in case of non-payment or tender as aforesaid. the said officer shall proceed to sell the said goods, chattels, or effects. at public auction, and shall and may retain from the proceeds of such sale the amount demandable for the use of the United States, with the necessary and reasonable expenses of distraint and sale, and a commission of five per centum thereon for his own use, rendering the overplus, if any there be, to the person whose goods, chattels, or effects shall have been distrained: *Provided, further*, That there shall be exempt from distraint the tools or implements of a trade or profession, one cow, arms, and provisions, and household furniture kept for use, school books, and apparel necessary for a family.

That *section thirty-eight be amended by striking therefrom tne words 'thirty-five,' and inserting in lieu thereof the words 'thirty-six.'

That †section forty be amended by inserting after the words 'appointment of a successor' the words: '*Provided*, That in case it shall appear to the Secretary of the Treasury that the interest of the Government shall so require, he may, by his order, direct said duties to be performed by such other one of the said deputies as he may in such order designate.'

That ‡section fifty-two be amended by inserting before the words 'That all assessors,' the words 'And be it further enacted;' by inserting after the word 'deputies,' the words 'revenue agents;' and by striking out after the word 'charged' the word 'and,' and inserting in lieu thereof the word 'or.'

That ‖section fifty-three be amended by inserting after the word 'distiller,' where it first occurs, the words 'before distilling any spirits,' by striking out after the word 'any,' and preceding the words 'still or stills,' the word 'additional;' by striking out after the word 'used,' and preceding the words 'shall be erected,' the words 'as aforesaid,' and inserting in lieu thereof the words 'for distilling;' and by inserting after the words 'shall be erected,' the words 'or used.'

That §section fifty-four be amended by striking out the words 'the same,' and inserting in lieu thereof the words 'and owning the same, and owning the build-

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* The amendment to section 38 is merely verbal.

† In case of a vacancy in the office of collector, the Secretary of the Treasury may designate a deputy collector to act as collector.

‡ Revenue agents are authorized to administer oaths, and the authority of assessors, collectors, assistant assessors, deputy collectors, and inspectors, is extended to all cases where oaths are required.

‖ The amendments to section 53 are merely verbal.

§ Section 54 as amended reads as follows: 'That the application in writing made by any person for a license for distilling, as aforesaid, shall state the place of distilling, the number and capacity of the still or stills, boiler or boilers, and the name of the person, firm, company, or corporation using and owning the same, and owning the building used as a distillery, and the land on which the same is located, and if the building or land is leased, the terms and conditions of the lease; and any person making a false statement in either of the said particulars shall forfeit and pay the sum of three hundred dollars, to be recovered with costs of suit.'

ing used as a distillery, and the land on which the same is located, and if the building or land is leased, the terms and conditions of the lease;' and by striking out the word 'one,' and inserting in lieu thereof the word 'three.'

That *section fifty-five be amended by inserting after the words 'said duties shall be a lien,' the words 'on the spirit distilled and;' and by adding at the end of the first proviso the words † except when made and used in the manufacture of vinegar or acetic acid, in which case the duties shall be collected on the basis of the actual proof.'

That ‡section fifty-six be amended by adding at the end of the section the following words, to wit: 'and in all sales of spirits hereafter made, where not otherwise specially agreed, a gallon shall be taken to be a gallon of first proof, according to the standard set forth and declared for the inspection and gauging of spirits throughout the United States.'

That ‖section fifty-seven be amended by striking out the words 'twenty-five,' in the last proviso, and inserting 'fifty' in its place; and by adding to the said proviso the following words, 'and distilled from apples or peaches, shall pay one dollar and fifty cents per gallon.'

That §section fifty-nine be amended by striking out the words 'so inspected and,' and also 'forthwith,' in the last clause of the first sentence; and by adding to the said sentence, after the word 'warehouse,' the words 'before the day prescribed by law for making return of the same;' and ¶ by striking out the words 'one hundred,' and inserting in lieu thereof the words 'three hundred.'

That **section sixty-one be amended by striking out after the words 'and all,' the words 'refined coal oil,' and inserting in lieu thereof the words 'distilled or refined coal-oil, distillate benzoine or benzole;' also by inserting after the word 'warehouse,' and before the words 'and no drawback,' the following words: †† and the same fees shall be paid for exports as are charged to exporters for like services in the custom-house;' and‡‡ by inserting after the words 're-distilled' and before the words 'for export' the words 'or canned.'

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* The tax is made a lien upon the spirits distilled as well as upon the distillery.

† Low proof spirits made and used in the manufacture of vinegar are to be taxed on the basis of actual proof.

‡ This amendment relates merely to the contract between the purchaser and the seller of spirits, and has no effect upon the amount of duty.

‖ The duty upon brandy distilled from grapes, is fixed at fifty cents per gallon, and upon brandy distilled from apples or peaches, at one dollar and fifty cents per gallon.

§ The clause, as amended, reads as follows: 'And the duty imposed by law shall be paid on all spirits not removed to a bonded warehouse before the day prescribed by law for making return of the same.'

¶ The penalty for changing or fraudulently using an inspection mark for the purpose of evading the tax upon distilled spirits is raised from one hundred to three hundred dollars.

** This amendment allows unrefined coal oil, distillate, benzine and benzole to be placed in bonded warehouses and withdrawn therefrom, in the same manner as refined coal oil.

†† See Treasury Regulations, edition of 1857, article 593, page 326.

‡‡ Distilled spirits and coal-oil may be withdrawn from warehouse for the purpose of being canned for export.

That *section sixty-eight be amended by inserting after the word 'suits' the words 'and shall be deemed guilty of a misdemeanor, and be subject to imprisonment for a term not exceeding one year;' and that the proviso to said section be amended by adding after the words 'forfeiture shall have' the word 'been;' and by striking out the word 'the' where it occurs the second time before the word 'nature.'

That †section seventy-four be amended by striking out the word 'or' after the word 'with,' and inserting, in lieu thereof, the word 'one;' and by striking out the words 'and hold the same until the license is produced,' and inserting in lieu thereof the words 'and the assessor of the district in which the seizure has occurred may, on ten days' notice, published in any newspaper in the district, or served personally on the peddler, or at his dwelling-house, require such peddler to show cause, if any he has, why the horses, wagon, and contents, pack, bundle, or basket so seized shall not be forfeited; and, in case no sufficient cause is shown, the assessor may direct a forfeiture, and issue an order to the collector or to any deputy collector of the district for the sale of the property so forfeited; and one-half of the same, after payment of the expenses of the proceedings, shall be paid to the officer making the seizure, and the other half thereof to the collector for the use of the United States.'

That ‡section seventy-nine be amended by inserting in the first paragraph, after the words 'claim agents,' the words 'patent agents;' by striking out, in the same paragraph, the words 'carrying on such,' and inserting in lieu thereof the words 'may carry on;' by striking out, in the same paragraph, the words 'may transact such business;' '*Provided*, ‖ That no license shall hereafter issue until the managers of a lottery now existing shall give bond, in the sum of one thousand dollars, that the person receiving such license shall not sell any ticket, or supplementary ticket of such lottery, which has not been duly stamped according to law;' by inserting, in paragraph nine, § after the words 'other securities,' the words 'for themselves or others;' by striking from said paragraph the words 'and shall make oath or affirmation according to the form to be prescribed by the Commissioner of Internal Revenue that all their transactions are made for a

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* Brewers and distillers who neglect to comply with all the provisions of law in that behalf, in addition to other penalties, are to be deemed guilty of a misdemeanor, and be subject to imprisonment for a term not exceeding one year. The other amendments to section 68 are merely verbal.

† The first amendment to section 74 is merely verbal; the second amendment provides for the disposition of goods which may be seized in the possession of a peddler who fails to produce his license when demanded.

‡ The sentence, as amended, reads as follows: 'Any number of persons, except lawyers, conveyancers, claim agents, patent agents, physicians, surgeons, dentists, cattle brokers, horse dealers, and peddlers, may carry on business in copartnership at the place specified in their license, and not otherwise.'

‖ This proviso is an addition to paragraph six, relative to lottery-ticket dealers.

§ Paragraph nine, as amended, reads as follows: 'Brokers shall pay fifty dollars for each license. Every person, firm, or company, except such as hold a license as a banker, whose business it is as a broker to negotiate purchases or sales of stocks, exchange, bullion, coined money, bank notes, promissory notes, or other securities, for themselves or others, shall be regarded as a broker, under this act: *Provided*, That any person holding a license as a banker shall not be required to take out a license as a broker.'

commission;' by *striking out the proviso at the end of paragraph 'twenty-eight;' by adding to paragraph thirty-two the following proviso: '*Provided, further*, †That no man between the ages of twenty and forty-five who is not enrolled for military duty, or regularly exempted from enrolment or draft for physical disability, shall be entitled to a license as a peddler.'

By ‡ striking out all of paragraph 'forty-nine,' and inserting in lieu thereof the following, to wit:

'Forty-nine. Miners shall pay for each and every license the sum of ten dollars. Every person, firm, or company who shall employ others in the business of mining for coal, or for gold, silver, copper, lead, iron, zinc, spelter, or other minerals, not having taken out a license as a manufacturer, and no other, shall be regarded as a miner under this act: *Provided*, That this shall not apply to any miner whose receipts from his mine shall not exceed annually one thousand dollars.

'Fifty. A license of ten dollars shall be required of every person, firm, or company engaged in the carrying or delivery of money, valuable papers, or any articles for pay, or doing an express business, whose gross receipts therefrom exceed the sum of six hundred dollars per annum. But one license fee of ten dollars shall be required from any one person, firm, or company, in respect to all the business to be done by such person, firm or company on a continuous route, and the payment of such license fee shall cover all business done upon such route by such person, firm, or company, anywhere in the United States; and such license fee shall be required only from the principal in such business, and not from any subordinate.

'Fifty-one. Substitute brokers shall pay one hundred dollars for each and every license, and in addition thereto ten dollars for each substitute procured by him and actually mustered into the military service of the United States. Every person who shall furnish or offer to furnish, for pay, fee, or reward, volunteers, representative recruits, or substitutes for men drafted or liable to be drafted, for the military or naval service of the United States, shall be deemed a substitute broker under this act: *Provided, however*, That persons appointed by any State, county, city, township, or district, or the officers thereof, to procure the enlistment of volunteers or substitutes to fill the quota of such State, county, city, township, or district, for the military service of the United States, under the call of the President of the United States, shall not be considered substitute brokers: *And provided, further*, That such person or agent shall receive no compensation except that which is given by such State, county, town, city, or district.

'Fifty-two. Insurance brokers shall pay twenty-five dollars for each license. Any person who shall negotiate or procure insurance in behalf of another person

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* This makes insurance agents or brokers liable to license without regard to the amount of their receipts.

† The intention of this proviso is that every person physically qualified for military duty shall be enrolled before procuring a license as a peddler.

‡ The paragraph repealed imposes a license fee upon every person, firm or corporation, engaged in any business, trade, or profession whatsoever, for which no other license is required, whose gross annual receipts therefrom exceed the sum of one thousand dollars per annum.

or party, for which he shall receive any pay, commission, or compensation, shall be regarded as an insurance broker under this act;' and the licenses herein provided for shall take effect on the first day of May next.

That *section eighty-one be amended, by striking therefrom the words 'seventy-three,' and inserting in lieu thereof the words 'seventy-four,' and by striking out the words 'to vinters,' and inserting in lieu thereof the words 'nor to vintners.'

That †section eighty-three be amended, by inserting after the words 'within his district, monthly,' the words 'within ten days from the twentieth day of each month,' and by inserting after the words 'such duties within' the word 'said,' and by striking out after the words 'ten days,' *following* the words 'after demand in writing, delivered to him in person, or left at his house or place of business, or manufactory, or sent by mail.'

That ‡section eighty-four be amended by striking out the words 'eighty-first,' and inserting in lieu thereof the words 'eighty-second,' and by striking out the words 'eighty-fourth,' and inserting in lieu thereof the words 'eighty-fifth.'

That ‖section eighty-six be amended by striking out the words 'deposit at the time of sale,' after the words 'freight from the place of,' and inserting in lieu thereof the word 'manufacture,' and in the next following paragraph by striking out the word 'that,' where it first occurs, and inserting in lieu thereof the word 'the.'

That §section eighty-seven be amended by striking out after the words 'accurately setting' the word 'for,' and inserting in lieu thereof the word 'forth,' and after the words 'description of the manufactured article,' by striking out the words 'the proposed market for the same, whether foreign or domestic,' and by inserting after the word 'assessor,' and preceding the word 'assistant,' the word 'or.'

That ¶section ninety be amended by striking out all after the enacting clause, and inserting in lieu thereof the following: "That any person, firm, company, or corporation, now or hereafter engaged in the manufacture of tobacco, snuff, or cigars of any description whatsoever, shall be, and hereby is, required to make out and deliver to the assistant assessor of the assessment district a true statement or inventory of the quantity of each of the different kinds of tobacco, snuff, flour, snuff, cigars, tinfoil, licorice, and stems held or owned by him or them on the first day of January of each year, or at the time of commencing business

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* The amendments to section 81 are merely verbal.

† This amendment requires manufacturers to pay the tax within the last ten days of the month, and imposes the penalty of ten per cent for failure so to do.

‡ The amendments to section 84 are merely verbal.

‖ Manufacturers are allowed to deduct freight from the place of manufacture to the place of delivery from the sales price of their goods. The other amendment is merely verbal.

§ These amendments are merely verbal, except that manufacturers of tobacco, snuff, and cigars are not required to include the proposed market for their goods in their statements to the assessor.

¶ The weekly return required of the manufacturers of tobacco, snuff and cigars is dispensed with, and the return is to be made monthly, as in the case of other manufactures; the bond for transportation of tobacco to a bonded warehouse is to be taken by the collector instead of the assessor and imported tobacco, snuff, and cigars may be placed in bonded warehouse as well as domestic.

under this act, setting forth what portion of said goods was manufactured or produced by him or them, and what was purchased from others, whether chewing, smoking, fine cut, shorts, pressed, plug, snuff-flour, or prepared snuff, or cigars, which statement or inventory shall be verified by the oath or affirmation of such person or persons, and be in manner and form as prescribed by the Commissioner of Internal Revenue; and every such person, company, or corporation shall keep in a book, in such manner and form as said commissioner may prescribe, an accurate account of all the articles aforesaid thereafter purchased by him or them, the quantity of tobacco, snuff, snuff-flour, or cigars, of whatever description sold, consumed, or removed for consumption or sale, or removed from the place of manufacture; and he or they shall, on or before the tenth day of each month, furnish to the assistant assessor of the district a true and accurate copy of the entries in said book during the preceding month, which copy shall be verified by oath or affirmation; and in case the duties shall not be paid within five days, after demand thereof, the *said* collector may, on one day's notice, distrain for the same, with ten per centum additional on the amount thereof, subject to all the provisions of law relating to licenses, returns, assessments, payment of taxes, liens, fines, penalties and forfeitures, not inconsistent herewith in the case of other manufacturers; and such duty shall be paid by the manufacturer or the person for whom the goods are manufactured, as the assessor may deem best for the collection of the revenue; *Provided*, That it shall be the duty of any manufacturer or vender of tinfoil or other material used in covering manufactured tobacco, on demand of any officer of internal revenue, to render to such officer a correct statement, verified by oath or affirmation, of the quantity and amount of tinfoil or other materials sold or delivered to any person or persons named in such demand; and in case of refusal or neglect to render such statement, or of cause to believe such statement to be incorrect or fraudulent, the assessor of the district may cause an examination of persons, books and papers to be made in the same manner as provided in the fourteenth section of this act; *Provided, further*, That manufactured tobacco, snuff, or cigars, whether domestic manufacture or imported, may be transferred, without payment of the duty, to a bonded warehouse, established in conformity with law and treasury regulations, under such rules and regulations and upon the execution of such transportation bonds or other security, as the Secretary of the Treasury may prescribe, said bonds or other security to be taken by the collector of the district from which such removal is made; and may be transported from such a warehouse to a bonded warehouse used for the storage of merchandise at any port of entry, and may be withdrawn from bonded warehouse for consumption on payment of the duty or removed for export to a foreign country without payment of duty in conformity with the provisions of law relating to the removal of distilled spirits, all the rules and regulations and conditions of which, so far as applicable, shall apply to tobacco, snuff, or cigars in bonded warehouse. And no drawback shall in any case be allowed upon any manufactured tobacco, snuff, or cigars, upon which any excise duty has been paid, either before or after it has been placed in bonded warehouse.'

That *section ninety-one be amended by striking out all after the enacting

* The section repealed required manufacturers of tobacco, snuff, and cigars to make a monthly declaration that their several returns had been in accordance with law.

clause, and inserting in lieu thereof the following: "That all manufactured tobacco, snuff, or cigars, whether of domestic manufacture or imported, shall, before the same is used or removed for consumption, be inspected and weighed by an inspector appointed under the fifty-eighth section of the act to which this is an amendment, who shall mark or affix a stamp upon the box or other package containing such tobacco, snuff, or cigars, in a manner to be prescribed by the Commissioner of Internal Revenue, denoting the kind or form of tobacco, and the weight of such package, with the date of inspection and the name of the inspector. The fees of such inspector shall in all cases be paid by the owner of the manufactured tobacco, snuff, or cigars, so inspected and weighed. And the penalties for the fraudulent marking of any box or other package of tobacco, snuff, or cigars, and for any fraudulent attempt to evade the duties on tobacco, snuff, or cigars, so inspected, by changing in any manner the package or the marks thereon, shall be the same as are provided in relation to distilled spirits by existing laws. And all cigars manufactured after the passage of this act shall be packed in boxes. And any manufactured tobacco, snuff, and cigars, whether of domestic manufacture or imported, which shall be sold or pass out of the hands of the manufacturer or importer, except into a bonded warehouse, without the inspection marks or stamps affixed by the inspector, unless otherwise provided, shall be forfeited, and may be seized wherever found, and shall be sold, one-half of the proceeds of such sale to be paid to the informer, and the other moiety to the United States. The Commissioner of Internal Revenue shall keep an account of all stamps delivered to the several inspectors; and said inspectors shall also keep an account of all stamps by them used or placed upon boxes containing cigars, and of all tobacco, snuff, and cigars inspected, and the name of the person, firm, or company for whom the same were so inspected, and return to the assessor of the district a seperate and distinct account of the same; and also to return to the said Commissioner on demand all stamps not otherwise accounted for, and shall give a bond for a faithful performance of all the duties to which he may be assigned, and to return or account for all stamps which may be placed in his hands.

That *section ninety-two be amended by striking out the words 'by this act,' and inserting in lieu thereof the words 'by law.'

That †section ninety-four be amended by inserting after the words 'pea coal' the words 'or coal that will pass through a five-eighth inch and over a three-eighth inch mesh;' in the paragraph relating to gas,‡ by adding after the words 'understood to be,' in the first proviso, the words 'in addition to the gas consumed by said company or other party;' by ‖inserting in the last proviso in the paragraph on gas, after the words 'coal tar,' where they first

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* The amendment to section 92 is merely verbal.

† The first amendment to section 94 exempts from duty coal that will pass through a five-eighth inch mesh.

‡ The sentence amended reads as follows: 'That the product required to be returned by law by any gas company shall be understood to be, in addition to the gas consumed by said company, or other party, the product charged in the bills actually rendered by the gas company during the month preceding the return.'

‖ Ammoniacal liquor and the products of the manufacture of ammoniacal liquor produced in the manufacture of illuminating gas, are exempt from duty.

occur, the words ' and ammoniacal liquor,' and by inserting after the words ' coal tar,' where they occur the second time in said proviso, the words ' and the products of the manufacture of ammoniacal liquor;' by *inserting after the word ' naptha,' in the paragraph relating to coal illuminating oil, the word ' distillate;' by inserting after the words ' returns, assessments,' the words ' removing to and withdrawing from warehouses;' by striking from the proviso relating to naptha, after the word ' exceeding,' the word ' eighty,' and inserting in lieu thereof the word ' seventy;' by †striking out of the first paragraph relating to ' sugar' the words ' brown or Muscovado;' and by striking out of the second paragraph relating to ' sugar' the words ' all clarified or refined,' and by striking out of the third paragraph relating to ' sugar' the words ' all clarified or refined;' by ‡striking from the paragraph relating to gunpowder the words ' at twenty-eight cents per pound or less, a duty of one cent per pound; when valued above twenty-eight and not exceeding thirty eight cents per pound, a duty of one and a half cents per pound,' and inserting in lieu thereof ' at thirty-eight cents per pound or less, five per centum ad valorem;' and by striking out, in the last line of said paragraph, the word ' eight,' and inserting in lieu thereof the word ' ten;' by ‖inserting in the paragraph relating to ' bill-heads, printed,' after the word ' circulars,' the words ' law blanks, conveyancers' blanks, and other printed forms;' by §adding at the end of the paragraph relating to printed books the words ' which shall be paid by the publishers thereof;' by ¶inserting in the paragraph relating to photographs, after the words ' being copies of engravings, or works of art,' the words ' when the same are sold by the producer at wholesale at a price not exceeding ten cents each, or are;' by **striking from the paragraph relating to ' hulls, as launched,' the word ' launched,' and inserting in lieu thereof the words ' finished, including cabins, inner and upper works;' by ††inserting after the word ' sewing,' in the proviso to the paragraph relating to ' sails, tents, awnings, and bags,' the words ' or pasting;' by inserting at the end of the paragraph relating to stoves and hollow-ware the following:

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* Distillate is made subject to the duty of twenty cents per gallon, and naptha of specific gravity exceeding seventy degrees is to be treated as gasoline and subject to the tax of five per cent. *ad valorem*.

† The rate of tax upon sugar produced directly from the cane is made to depend solely upon the color.

‡ The paragraph, as amended, reads as follows: ' On gunpowder, and all explosive substances used for mining, blasting, artillery, or sporting purposes, when valued at thirty-eight cents per pound or less, five per cent. *ad valorem;* and when valued at above thirty-eight cents per pound, a duty of ten cents per pound.'

‖ The paragraph, as amended, reads as follows: ' On bill-heads printed, printed cards and printed circulars, law blanks, conveyancers' blanks, and other printed forms, a duty of five per centum *ad valorem*.'

§ The duty upon printed books, magazines, &c., is to be paid by the publisher.

¶ The paragraph, as amended, reads as follows: ' On photographs, or any other sun-picture, being copies of engravings or works of art, when the same are sold by the producer at wholesale at a price not exceeding ten cents each, or are used for the illustration of books, and on photographs so small in size that stamps cannot be affixed a duty of five per centum *ad valorem*.

** Ships, steamboats, &c., are made taxable upon the hulls as finished, including cabins, inner and upper works, instead of upon the hulls as launched.

†† Shades and bags are to be assessed on the increased value when made by pasting as well as when made by sewing.

'On *railroad chairs, and railroad, boat and ship spikes and tubes, made of wrought iron, five dollars per ton;' by †striking out, in the second proviso of the paragraph relating to 'rivets,' the words 'upon which no duty has been assessed or paid,' and inserting in lieu thereof the words 'the duty to which it was liable;' and after the word 'loops,' in the line following, inserting 'not having been paid;' by striking out the paragraph relating to steam engines, and inserting in lieu thereof the following words: 'On ‡steam, locomotive, and marine engines, including the boilers and all their parts, a duty of five per centum ad valorem: *Provided*, That when such boilers shall have been once assessed and a duty previously paid thereon, the amount so paid shall be deducted from the duties on the finished engine.

'On boilers of all kinds, water tanks, sugar tanks, oil stills, sewing machines, lathes, tools, planes, planing machines, shafting and gearing, a duty of five per centum ad valorem.

'On iron railings, gates, fences, furniture, and statuary, a duty of five per centum ad valorem,' by adding at the end of the paragraph relating to quicksilver, the following: '*Provided*, That quicksilver may be transferred, without payment of the duty, to a bonded warehouse established in conformity with law and treasury regulations, under such rules and regulations and upon the execution of such transportation bonds or other security as *the* Secretary of the Treasury may prescribe; said bonds or other security to be taken by the collector of the district from which such removal is made, and may be transported from such warehouse to a bonded warehouse used for the storage of merchandise at any port of entry; and quicksilver so bonded may be withdrawn from the bonded warehouse for consumption on payment of the duty, or removed for export to a foreign country without payment of duty, in conformity with the provisions of law relating to the removal of distilled spirits, all the rules, regulations, and conditions of which, so far as applicable, shall apply to quicksilver in bonded warehouse; and no drawback shall in any case be allowed upon any quicksilver upon which any excise duty has been paid, either before or after it has been placed in bonded warehouse;' by ‖adding at the end of the paragraph relating to copper and lead ingots the following proviso: '*Provided, however*, That brass made of copper and spelter, on which a duty of three per centum ad valorem shall have been assessed and paid, shall be assessed and pay a duty of three per centum on the increased value only thereof;' by §inserting in the paragraph relating to rolled brass, after the word 'sheets,' the words 'copper, zinc, and brass nails or

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* These articles were subject to an *ad valorem* duty under the act of June thirtieth, eighteen hundred and sixty-four.

† The proviso, as amended, reads as follows: "*Provided, further*, That castings of iron, and iron of all descriptions advanced beyond pig-iron, blooms, slabs, or loops, the duty to which it was liable in the form of pig-iron, blooms, slabs, or loops, not having been paid shall be assessed and pay, in addition to the foregoing rates of iron so advanced, a duty of three dollars per ton.'

‡ The duty on steam-engines, under the act of June thirtieth, eighteen hundred and sixty-four, was three per cent.

‖ The paragraph to which the proviso is added reads as follows: 'On copper and lead ingots, pigs or bars, and spelter and brass, a duty of three per centum *ad valorem*.'

§ The duty on copper, zinc, and brass nails and rivets is reduced to three per cent.

rivets;' by *adding to the paragraph relating to patent, enameled, and japanned leather the words '*Provided*, That when a duty has been paid on the leather in the rough, the duty shall be assessed and paid only on the increased value;' by †striking out all of the first sentence of the proviso in the paragraph relating to wines or liquors, and inserting in lieu thereof the words '*Provided*, That the return, assessment, collection, and the time of collection of the duties on such wines, and wines made of grapes, shall be subject to the regulations of the Commissioner of Internal Revenue,' by ‡inserting in the paragraph relating to cloth, after the word 'felted,' the words 'articles or;' after the word 'warps,' in the proviso of said paragraph, by striking out the word 'for,' and inserting in lieu thereof the words 'sold before;' by ‖inserting in the paragraph relating to ready-made clothing, after the word 'dress,' the words 'not otherwise assessed and taxed as such,' and by striking out of the same paragraph all after the words 'does not exceed the sum of,' and inserting the words 'one thousand dollars per annum shall be exempt from duty;' by §inserting in the paragraph relating to manufactures of cotton, after the word 'cloths,' in the first proviso, the words 'or articles,' and after the word 'fabrics,' in the second proviso, the words 'or articles;' by striking out the words 'as aforesaid,' where they occur the second time in said proviso, and by inserting at the end of said proviso the words 'and when made wholly by the same manufacturer shall be subject to a duty only of five per centum ad valorem;' by ¶striking out in [the] paragraph relating to diamonds, precious stones, and imitations thereof, and all other jewelry, the word 'ten,' and inserting in lieu thereof the word 'five;' by **striking out of said sec-

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* The paragraph to which the proviso is added reads as follows: 'On patent enameled, and japanned leather, and skins of every description, a duty of five per centum *ad valorem*.'

† This authorizes the commissioner to prescribe the mode and time for paying the duties upon wine made of grapes as well as those upon manufactured wines.

‡ The paragraph, as amended, reads as follows: "On cloth and all textile or knitted or felted articles or fabrics of cotton, wool or other materials, before the same has been dyed, printed, or bleached, and on all cloth painted, enameled, shirred tarred, varnished, or oiled, a duty of five per centum *ad valorem*; *Provided*, That thread and yarn, and warps sold before weaving, shall be regarded as manufactures, and be subject to a duty of five per centum *ad valorem*.'

‖ Custom-made clothing is made subject to a duty of five per cent when the annual product exceeds one thousand dollars.

§ The provisos, as amended, read as follows:

'*Provided*, That on all cloths or articles dyed, printed, or bleached, on which a duty or tax shall have been paid before the same were so dyed, printed or bleached, the said duty or tax of five per centum shall be assessed only upon the increased value thereof: *And provided, further*, That any cloth or fabrics or articles, as aforesaid, when made of thread, yarn, or warps, upon which a duty shall have been assessed and paid, shall be assessed and pay a duty on the increased value only thereof and when made wholly, by the same manufacturer shall be subject to a duty only of five per centum *ad valorem*.'

¶ The duty on jewelry is reduced from ten to five per cent.

** The paragraphs stricken out prescribed the duties upon manufactured tobacco, snuff, and cigars, and required cigars to be inspected and stamped. The paragraphs inserted establish the new rates upon those articles, except upon cigarettes, made of tobacco, enclosed in a paper wrapper, and valued at more than five dollars per hundred packages of twenty-five cigarettes, the duty upon which is five per centum *ad valorem*. The new provisions for the inspection of cigars are found in the amendment to section 91.

tion the several paragraphs from the words 'on cavendish, plug, twist,' down to and including the words 'and the other to the United States,' and inserting in lieu thereof the following:

'On snuff, manufactured of tobacco or any substitute for tobacco, ground dry or damp, pickled, scented, or otherwise, of all descriptions, when prepared for use, forty cents per pound.

'On cavendish, plug, twist, and all other kinds of manufactured tobacco, not herein otherwise provided for, forty cents per pound.

'On tobacco twisted by hand, or reduced from leaf into a condition to be consumed, without the use of any machine or instrument, and without being pressed, sweetened or otherwise prepared, thirty cents per pound.

'On fine-cut chewing tobacco, whether manufactured with the stems in or not, or however sold, whether loose, in bulk, or in rolls, packages, papers, wrappers, or boxes, forty cents per pound.

'On smoking tobacco of all kinds, and imitations thereof, not otherwise herein provided for, thirty five cents per pound.

'On smoking tobacco made exclusively of stems, and so sold, fifteen cents per pound.

'On cigarettes made of tobacco, enclosed in a paper wrapper, and put up in packages containing not more than twenty-five cigarettes, and valued at not more than five dollars per hundred packages, five cents per package.

"On all cigars, cheroots, and cigarettes, made wholly of tobacco, or of any substitutes therefor, ten dollars per thousand cigars;' by inserting in the last paragraph relating to cigars, after the words 'imprisonment not exceeding thirty days,' the words *. And any person furnished with such permit may apply to the assistant assessor or inspector of the district to have any cigars of their own manufacture counted; and on receiving a certificate of the number, for which such fee as may be prescribed by the Commissioner of Internal Revenue shall be paid by the owner thereof, may sell and deliver such cigars to any purchaser, in the presence of said assistant assessor or inspector, in bulk, or unpacked, without payment of the duty. A copy of the certificate shall be retained by the assistant assessor, or by the inspector, who shall return the same to the assistant assessor of the district. The purchaser shall pack such cigars in boxes, and have the same inspected and marked or stamped according to the provisions of this act, and shall make a return of the same as inspected to the assistant assessor of the district, and, unless removed to a bonded warehouse, shall pay the duties on such cigars within five days after purchasing them to the collector of the district wherein they were manufactured, and before the same have been removed from the store or building of such purchaser, or from his possession; and any such purchaser who shall neglect for more than five days to pack and have such cigars duly inspected, and pay the duties thereon according to this act, or who shall purchase any cigars from any person not holding such permit, the duties thereon not having been paid, shall be deemed guilty of a misdemeanor, and be fined not exceeding five hundred dollars, and be imprisoned not exceeding six months, at

* This amendment prescribes the conditions under which alone cigars may be sold before inspection.

the discretion of the court, and the cigars shall be forfeited and sold, one fourth for the benefit of the informer, one fourth for the officer who seized or had them condemned, and one half shall be paid to the government.'

That section ninety-six be amended by inserting after the words 'concentrated milk,' the words *'cider and cider-vinegar, and sugar or molasses made from other articles than the sugar-cane;' by †striking out after the words 'use exclusively,' the words 'materials prepared for the manufacture of hoop skirts exclusively, and unfit for other use, such as,' and inserting in lieu thereof the word 'and,' and by striking out the words 'for joining hoops together,' and inserting in lieu thereof the words 'used in the manufacture of hoop-skirts.'

That ‡section ninety-nine be amended by striking out the words 'gold and silver bullion and coin,' and by striking out the words 'of all contracts for such sales,' and inserting in lieu thereof the words 'upon any sales or contracts for the sale of gold and silver bullion and coin, one-tenth of one per centum on the amount of such sales or contracts.'

That ‖section one hundred and three be amended by adding the following after the word 'vehicle,' where it occurs the second time in the section: '*Provided*, That this section shall not apply to those teams, wagons and vehicles used in the transportation of silver ores from the mines where the same is excavated to the place where they are reduced or worked.'

That section one hundred and three be further amended by inserting after the words 'and any foreign port,' the words 'but such duty shall be assessed upon the transportation of persons and property shipped from a port within the United States, through a foreign territory to a port within the United States, and shall be assessed upon, and collected from, persons, firms, companies or corporations within the United States receiving such freight or transportation.' And that section one hundred and three be amended by adding at the end of said section the following: '*And provided, further*, That no tax under this section shall be assessed upon any person whose gross receipts do not exceed one thousand dollars per annum.'

That §section one hundred and five be amended by striking out, at the end thereof, the words 'for the quarter then next preceding.'

That ¶ section one hundred and nine be amended by striking out, after the words 'one hundred and,' the word 'two,' and inserting in lieu thereof, the word 'three.'

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* The articles specified are exempt from duty.

† The exemption of materials used in the manufacture of hoop-skirts is limited to cut tapes and small wares.

‡ The tax upon sales, and contracts for the sale, of gold and silver bullion and coin is raised from one-twentieth of one per centum to one-tenth of one per centum.

‖ The amendments to section 103 exempt from duty the receipts of vehicles used in the transportation of silver ores from the mines, and the receipts of persons receiving not more than one thousand dollars per annum, and impose the duty upon receipts for the transportation of persons or property from a port within the United States through a foreign territory to a port within the United States.

A clause in the amendatory tariff act of March 3, 1865, exempts the receipts of vessels paying tonnage duties from the tax imposed in section 103.

§ The amendment to section 105 is merely verbal.

¶ The amendment to section 109 is merely verbal.

That *section one hundred and ten be amended by striking out, after the words 'and redemption thereof,' the words 'nor to any savings bank having no capital stock, and whose business is confined to receiving deposits and loaning the same on interest for the benefit of the depositors only, and which do no other business of banking.'

That †section one hundred and sixteen be amended by striking out all after the enacting clause and inserting in lieu thereof the following: 'That there shall be levied, collected, and paid annually upon the annual gains, profits, and income of every person residing in the United States, or of any citizen of the United States residing abroad, whether derived from any kind of property, rents, interests, dividends, or salaries, or from any profession, trade, employment, or vocation, carried on in the United States or elsewhere, or from any other source whatever, a duty of five per centum on the excess over six hundred dollars and not exceeding five thousand dollars, and a duty of ten per centum on the excess over five thousand dollars; and in ascertaining the income of any person liable to an income tax, the amount of income received from institutions whose officers, as required by law, withhold a per centum of the dividends made by such institutions and pay the same to the Commissioner of Internal Revenue, or other officer authorized to receive the same, shall be included; and the amount so withheld shall be deducted from the tax which otherwise would be assessed upon such person. And the duty herein provided for shall be assessed, collected, and paid upon the gains, profits and income for the year ending the thirty-first day of December next preceding the time for levying, collecting and paying said duty: *Provided*, That income derived from interest upon notes, bonds and other securities of the United States, and also all premiums on gold and coupons shall be included in estimating incomes under this section. *Provided, further*, That only one deduction of six hundred dollars shall be made from the aggregate incomes of all the members of any family, composed of parents and minor children, or husband and wife: *And provided, further*, That net profits realized by sales of real estate purchased within the year for which income is estimated, shall be chargeable as income; and losses on sales of real estate purchased within the year, for which income is estimated, shall be deducted from the income of such year.'

That ‡section one hundred and seventeen be amended by striking out all after the enacting clause, and inserting in lieu thereof the following: 'That in estimating the annual gains, profits and income of any person, all national, State,

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*Savings banks are made subject to the duties imposed in section 110.

†The changes in section 116 are: first, in the rate of tax on income in excess of five thousand dollars; second, income from dividends, &c., from which a tax has been withheld, is to be included, and the amount of tax withheld is to be deducted from the tax assessed upon the entire income; third, there is a specific provision requiring the return of premiums on gold and coupons; fourth, but one deduction of $600 is allowed in any case from the aggregate incomes of any one family.

‡The changes in section 117 are: first, the allowance of the national income tax as a deduction from income; second, the repeal of the provision allowing the deduction of income from dividends, &c., from which a tax has been withheld, third, interest accruing against the tax payer may be deducted; fourth, the increased value of live stock on hand is not to be included, but merely the amount received for live stock sold.

county and municipal taxes paid within the year shall be deducted from the gains, profits or income of the person who has actually paid the same, whether owner, tenant, or mortgagor; also, the salary or pay received for services in the civil, military, naval, or other service of the United States, including senators, representatives, and delegates in Congress, above the rate of six hundred dollars per annum; also the amount paid by any person for the rent of the homestead used or occupied by himself or his family, and the rental value of any homestead used or occupied by any person or by his family, in his own right or in the right of his wife, shall not be included and assessed as part of the income of such person. In estimating the annual gains, profits, or income of any person, the interest received or accrued upon all notes, bonds and mortgages, or other forms of indebtedness bearing interest, whether paid or not, if good and collectable, less the interest paid by or due from such person, shall be included and assessed as part of the income of such person for each year; and also all income or gains derived from the purchase and sale of stocks or other property, real or personal, and of live stock, and the amount of live stock, sugar, wool, butter, cheese, pork, beef, mutton, or other meats, hay and grain, or other vegetable or other productions, being the growth or produce of the estate of such person sold, not including any part thereof unsold or on hand during the year next preceding the thirty-first of December, until the same shall be sold, shall be included and assessed as part of the income of such person for each year, and his share of the gains and profits of all companies, whether incorporated or partnership, shall be included in estimating the annual gains, profits, or income of any person entitled to the same, whether divided or otherwise. In estimating deductions from income, as aforesaid, when any person rents buildings, lands, or other property, or hires labor to cultivate land, or to conduct any other business from which such income is actually derived, or pays interest upon any actual incumbrance thereon, the amount actually paid for such rent, labor, or interest, shall be deducted; and also the amount paid out for usual or ordinary repairs, not exceeding the average paid out for such purposes for the preceding five years, shall be deducted, but no deduction shall be made for any amount paid out for new buildings, permanent improvements, or betterments, made to increase the value of any property or estate: *Provided*, That in cases where the salary or other compensation paid to any person in the employment or service of the United States shall not exceed the rate of six hundred dollars per annum, or shall be by fees, or uncertain or irregular in the amount or in the time during which the same shall have accrued or been earned, such salary or other compensation shall be included in estimating the annual gains, profits, or income of the person to whom the same shall have been paid, in such manner as the Commissioner of Internal Revenue, under the direction of the Secretary of the Treasury, may prescribe."

That * section one hundred and eighteen be amended by striking out all after the enacting clause, and inserting in lieu thereof the words, "That it shall be the duty of all persons of lawful age to make and render a list or return, in such

* The principal changes in section 118 are the reduction of the penalty for neglect to make return to twenty-five per cent., and the provision that the declaration permitted by the proviso shall not be considered as conclusive of the facts. The other changes are mainly verbal.

form and manner as may be prescribed by the Commissioner of Internal Revenue, to the assistant assessor of the district in which they reside, of the amount of their income, gains, and profits, as aforesaid; and all guardians and trustees, whether as executors, administrators, or in any other fiduciary capacity, shall make and render a list or return, as aforesaid, to the assistant assessor of the district in which such guardian or trustee resides, of the amount of income, gains, and profits of any minor or person for whom they act as guardian or trustee; and the assistant assessor shall require every list or return to be verified by the oath or affirmation of the party rendering it, and may increase the amount of any list or return, if he has reason to believe that the same is understated; and in case any person, guardian, or trustee shall neglect or refuse to make and render such list or return, or shall render a false or fraudulent list or return, it shall be the duty of the assessor or the assistant assessor to make such list, according to the best information he can obtain, by the examination of such person, and his books and accounts, or any other evidence, and to add twenty-five per centum as a penalty to the amount of the duty due on such list in all cases of wilful neglect or refusal to make and render a list or return, and, in all cases of a false or fraudulent list or return having been rendered, to add one hundred per centum, as a penalty, to the amount of duty ascertained to be due, the duty and the additions thereto as penalty to be assessed and collected in the manner provided for in other cases of wilful neglect or refusal to render a list or return, or of rendering a false and fraudulent return: *Provided*, That any party in his or her own behalf, or as guardian or trustee, shall be permitted to declare under oath or affirmation, the form and manner of which shall be prescribed by the Commissioner of Internal Revenue, that he or she, or his or her ward or beneficiary, was not possessed of an income of six hundred dollars, liable to be assessed according to the provisions of this act; or may declare that he or she has been assessed and paid an income duty elsewhere in the same year, under authority of the United States, upon his or her gains and profits, as prescribed by law, and if the assistant assessor shall be satisfied of the truth of the declaration, shall thereupon be exempt from income duty in said district; or if the list or return of any party shall have been increased by the assistant assessor, such party may exhibit his books and accounts, and be permitted to prove and declare under oath or affirmation, the amount of annual income liable to be assessed; but such oaths and evidence shall not be considered as conclusive of the facts, and no deductions claimed in such cases shall be made or allowed until approved by the assistant assessor. Any person feeling aggrieved by the decision of the assistant assessor in such cases may appeal to the assessor of the district, and his decision thereon, unless reversed by the Commissioner of Internal Revenue, shall be final, and the form, time, and manner of proceedings shall be subject to rules and regulations to be prescribed by the Commissioner of Internal Revenue.'

That * section one hundred and nineteen be amended by striking out the words 'for thirty days,' and, after the words 'for ten days after,' inserting the words 'notice and.'

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*The income tax is made payable immediately after the thirtieth of June, upon ten days' notice.

That * section one hundred and twenty be amended by striking out, at the end thereof, the word 'act,' and inserting in lieu thereof the word 'section.'

That † section one hundred and twenty-five be amended by striking therefrom the word 'and,' following the word 'custody,' and inserting in lieu thereof the word 'any.'

That ‡ section one hundred and thirty-three be amended by adding, at the end thereof, the following words: '*Provided*, That no duty shall be levied in respect of any succession vesting before or subsequent to the passage of this act, where the successor shall be the wife of the predecessor.'

That ‖ section one hundred and thirty-five be amended by striking therefrom the word 'extension,' and inserting in lieu thereof the word 'extinction.'

That § section one hundred and forty-nine be amended by striking out the word 'assment,' and inserting in lieu thereof the word 'assessment.'

That ¶ section one hundred and fifty-eight be amended by striking out all after the enacting clause, and inserting in lieu thereof the following, to wit: 'That any person or persons who shall make, sign or issue, or who shall cause to be made, signed or issued, any instrument, document, or paper of any kind or description whatsoever, or shall accept, negotiate, or pay, or cause to be accepted, negotiated, or paid, any bill of exchange, draft, or order, or promissory note, for the payment of money, without the same being duly stamped, or having thereupon an adhesive stamp for denoting the duty chargeable thereon, with intent to evade the provisions of this act, shall for every such offence forfeit the sum of fifty dollars, and such instrument, document, or paper, bill, draft, order, or note, shall be deemed invalid and of no effect: *Provided*, That the title of a purchaser of land, by deed duly stamped, shall not be defeated or affected by the want of a proper stamp on any deed conveying said land by any person from, through, or under whom his grantor claims or holds title: *And provided, further*, That hereafter, in all cases where the party has not affixed to any instrument required by the one hundred and fifty-first section of the act of June thirtieth, eighteen hundred and sixty-four, or the schedule marked B, thereunto annexed, *and* the stamp thereby required to be thereunto affixed, at the time of making or issuing the said instrument, and he or they, or any party having an interest therein shall be subsequently desirous of affixing such stamp to said instrument, he or they shall appear before the collector of the revenue of the proper district, who shall, upon the payment of the price of the proper stamp required by law, and of a penalty of fifty dollars, and, where the whole amount of the duty denoted by the stamp required shall exceed the sum of fifty dollars, on payment also of interest, at the rate of six per cent, on said duty, from the day on which such

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*This confines the exemption of return premiums paid by mutual life insurance companies to the tax upon dividends.

†The amendment to section 125 is merely verbal.

‡This exempts real estate passing from a husband to his widow from succession tax.

‖The amendment to section 135 is merely verbal.

§The amendment to section 149 is merely verbal.

¶ Down to and including the first proviso this is the old section, with the insertion of the word 'negotiate' and the reduction of the penalty from two hundred dollars to fifty dollars. The second and third provisos are new, and substantially take the place of section 163.

stamp ought to have been affixed, affix the proper stamp to such instrument, and note upon the margin of said instrument the date of his so doing, and the fact that such penalty has been paid, and such instrument shall thereupon be deemed and held to be as valid to all intents and purposes, as if stamped when made or issued: *And provided, further,* That where it shall appear to said collector, upon oath or otherwise, to his satisfaction, that any such instrument has not been duly stamped at the time of making or issuing the same by reason of accident, mistake, inadvertence, or urgent necessity, and without any wilful design to defraud the United States of the stamp duty, or to evade or delay the payment thereof, then and in such case, if such instrument shall, within twelve calendar months after the making or issuing thereof, be brought to the said collector of revenue to be stamped, and the stamp duty chargeable thereon shall be paid, it shall be lawful for the said collector to remit the penalty aforesaid, and to cause such instrument to be duly stamped.'

That *section one hundred and sixty be amended by inserting before the word 'injury,' the word 'accidental,' and by striking out the words 'while traveling;' also † by striking out after the words 'nor on certificates,' the word 'or,' and inserting in lieu thereof, the word 'of,' and ‡ by striking out the words 'other articles,' and inserting in lieu thereof the word 'hay.'

That ‖section one hundred and sixty-five be amended by striking out in the proviso the words 'act contained,' and inserting in lieu thereof the word 'section.'

That §section one hundred and sixty-seven be amended by striking out the word 'or,' where it occurs the second time, and inserting after the word 'sell,' the words 'expose for sale.'

That ¶section one hundred and sixty-eight be amended by striking out the words 'lucifer or friction matches, and cigar lights or wax tapers.'

That **section one hundred and sixty-nine be amended by inserting after the words 'who shall offer,' the words 'or expose;' and by inserting after the words 'so offered,' the words 'or exposed;' and ††by inserting in the proviso, after the words 'imported articles,' the words 'except lucifer or friction matches, cigar lights, and wax tapers.'

That ‡‡'Schedule B,' preceding section one hundred and seventy-one, be amended in the paragraph marked 'receipts,' by inserting after the word 'pro-

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* This confers exemption from stamp duty upon contracts of insurance when limited to accidental injury to persons.

† This amendment is merely verbal.

‡ This limits the exemption of certificates of weight or measurement to such as give merely the weight or quantity of animals, wood, coal, or hay.

‖ Medicines compounded according to published formulæ are made subject to *ad valorem* duty.

§ This prohibits the manufacture of articles enumerated in Schedule C, from exposing for sale any articles on which the proper stamp is not affixed.

¶ Lucifer or friction matches, cigar lights, and wax tapers are not to be manufactured in bonded warehouse.

** The first two insertions in section 169, prohibit the exposure for sale by any dealer of articles enumerated in Schedule C, on which the proper stamps are not affixed.

†† This prohibits the sale of imported matches without the proper stamp.

‡‡ This exempts from stamp duty receipts issued by express companies on the delivery of property for transportation.

perty,' the words 'except receipts issued by any persons, firms, or companies doing business as an express or express company on the delivery of any property for transportation,' and * that 'Schedule C,' preceding section one hundred and seventy-one, be amended in all the paragraphs concerning 'playing cards,' by striking out, wherever it occurs, the word 'retail.' Add at the end of the paragraph marked 'receipts,' the following: '*Provided*, † That when two or more persons shall sign the same receipt, one or more stamps, equal in value to the several stamps required by this act may be affixed to said receipts in lieu of said several stamps.'

That ‡ 'Schedule B,' preceding section one hundred and seventy-one, be further amended by striking out the word 'lease,' in the proviso in the clause taxing 'mortgages,' &c.; and also by adding to said proviso the following: '*And provided, further*, That upon each and every assignment of any lease a stamp duty shall be required and paid equal to that imposed on the original instrument, increased by a stamp duty on the consideration or value of the assignment equal to that imposed upon the conveyance of land for similar consideration or value.

That ‖ section one hundred and seventy-one be amended by inserting before the words 'refined coal oil,' the words 'crude petroleum or rock oil;' and after the words 'all descriptions,' by inserting the words 'bullion, quicksilver, lucifer or friction matches, cigar lights, and wax tapers.'

That §section one hundred and seventy-nine be amended by striking therefrom the words 'if a collector or deputy collector,' and by adding at the end of the words 'use of the United States,' the words 'and where any penalty is paid without suit, or before judgment, and a moiety of the same is claimed by any person as informer, the Secretary of the Treasury, on application to him, under such regulations as he shall prescribe, shall determine whether any claimant is entitled to such moiety, and to whom the same shall be paid.

SEC. 2. *And be it further enacted*, That from and after the passage of this act, the proviso to section one hundred and sixty-nine of the act to which this act is an amendment, shall not be held to apply to lucifer matches, friction matches, or other articles made in part of wood, and used for like purposes, nor the cigar lights and wax tapers.

SEC. 3. *And be it further enacted*, That from and after the thirtieth day of June, eighteen hundred and sixty-five, the gross amount of all duties, taxes, and revenues, received or collected by virtue of the several acts to provide internal revenue to support the government and to pay the interest on the public debt,

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* The manufacturer of playing cards is allowed to affix the stamp appropriate to the price at which he sells, and the subsequent vendor must affix the additional stamp if the advance on price is such as to require it.

† If the full stamp duty is paid, it is immaterial whether there be one or more stamps.

‡ Under the former law the duty on the assignment of a lease was the same as that on the original instrument.

‖ No drawback is to be allowed or paid upon crude petroleum or rock oil, bullion, quicksilver, lucifer or friction matches, cigar lights, or wax tapers.

§ A moiety of all fines, penalties and forfeitures is to be paid to the informer, whether an officer of the revenue or a private citizen; and where penalties are paid without suit, the Secretary of the Treasury is to determine to whom the moiety belongs.

and of any other act or acts that may now or hereafter be in force, connected with the internal revenues, shall be paid by the officers, collectors or agents receiving or collecting the same daily into the treasury of the United States, under the instructions of the Secretary of the Treasury, without any abatement or deduction on account of salary, compensation, fees, cost, charges, expenses or claims of any description whatever, anything in any law to the contrary notwithstanding. And all moneys now directed by law to be paid to the Commissioner of Internal Revenue, including those derived from the sale of stamps, shall be paid into the Treasury of the United States by the party making such payment; and a certificate of such payment stating the name of the depositor, and the specific account on which the deposit was made, signed by the treasurer, assistant treasurer, designated depositary, or proper officer of a deposit bank, and transmitted to, and received by the Commissioner of Internal Revenue, shall be deemed a compliance with the law requiring payment to be made to the commissioner, any law to the contrary notwithstanding: *Provided*, That in districts, where from the distance of the officer, collector or agent receiving or collecting such duties, taxes, and revenues from a proper government depositary, the Secretary of the Treasury may deem it proper, he may extend the time for making such payment, not exceeding, however, in any case, a period of one month.

SEC. 4. *And be it further enacted*, That so much money as may be necessary for the payment of the lawful expenses incident to carrying into effect the various acts relative to the assessment and collection of the internal revenues after the thirtieth day of June, eighteen hundred and sixty-five, until the first day of July, eighteen hundred and sixty-six, and not otherwise provided for, be, and the same is hereby, appropriated from any money in the treasury not otherwise appropriated. And it shall be the duty of such of the colectors of internal revenue as the Secretary of the Treasury may direct to act as disbursing agents to pay the aforesaid expenses without increased compensation therefor and to give good and sufficient bonds and sureties for the faithful performance of their duties as such disbursing agents, in such sum and form as shall be prescribed by the First Comptroller of the Treasury, and approved by the Secretary.

SEC. 5. *And be it further enacted*, That in addition to the duties imposed in section ninety-four of the act to which this is an amendment, as hereinbefore amended, there shall be levied, collected, and paid upon the goods, wares, and merchandise therein mentioned, except as hereinafter otherwise provided, an increase of one-fifth or twenty per centum of the duties or rates of duty now provided in said section, whether ad valorem or specific: *Provided*, That the additional duties or rates of duty herein mentioned shall not apply to coal illuminating oil, refined, and naphtha, benzine, and benzole, wood-screws, paper of all descriptions, printed books, magazines, pamphlets, reviews, and similar publications, cotton, manufactured tobacco, snuff, cigars, cigarettes, and cheroots.

SEC. 6. *And be it further enacted*, That every national banking association, State bank, or State banking association, shall pay a tax of ten per centum on the amount of notes of any State bank or State banking association, paid out by them after the first day of July, eighteen hundred and sixty-six.

SEC. 7. *And be it further enacted*, That any existing bank organized under the laws of any State, having a paid-up capital of not less than seventy-five thou-

sand dollars, which shall apply before the first day of July next for authority to become a national bank under the act entitled 'An act to provide a national currency, secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof,' approved June third, eighteen hundred and sixty-four, and shall comply with all the requirements of said act, shall, if such bank be found by the Comptroller of the Currency to be in good standing and credit, receive such authority in preference to new associations applying for the same: *Provided*, That it shall be lawful for any bank or banking association organized under State laws, and having branches, the capital being joint and assigned to and used by the mother bank and branches in definite proportions, to become a national banking association in conformity with existing laws, and to retain and keep in operation its branches, or such one or more of them as it may elect to retain; the amount of the circulation redeemable at the mother bank and each branch to be regulated by the amount of capital assigned to and used by each.

SEC. 8. *And be it further enacted*, That there shall be levied, collected and paid on all crude petroleum or rock oil that may be produced and sold, or removed for consumption or sale, a duty of one dollar on each and every barrel of not more than forty-five gallons; and all petroleum or rock oil that may be in possession of the producers at the place of production on the day when this act takes effect, shall be held and treated as if produced on that day; and the said duty shall be paid by the owner, agent, or superintendent of the well from which the petroleum or rock oil has been produced within ten days after the time of rendering the account required to be rendered by law of petroleum or rock oil so chargeable with duty; and the said duty shall be a lien upon the same, and on the well producing the same, with the buildings, fixtures, vessels, machinery, and tools, and on the lot or tract of land where the same may be until the said duty shall be paid: and the person paying such duty, if other than the actual owner of said petroleum, shall have a lien on such petroleum for the repayment of the duties so advanced by him: *Provided*, That any person who shall produce petroleum or rock oil, and use or refine the same without having paid the duty as aforesaid, shall, in addition to all other penalties and forfeitures, be liable to pay double the amount of duties as aforesaid thereon. *Provided further*, That when casks, barrels or other vessels are used holding more than forty-five gallons, the excess shall be paid for at the rate of one dollar for every forty-five gallons.

SEC. 9. *And be it further enacted*, That every person who shall be the owner of any well producing petroleum or rock oil, or who shall have such well under his superintendence, either as agent for the owner or on his own account, and every person who shall use any well as aforesaid, either as owner, agent, or otherwise, shall, from day to day, make true and exact entry, or cause to be entered in a book to be kept for that purpose the number of barrels of crude petroleum or rock oil barreled or removed for storage, or for sale, or for consumption; which book shall be opened at all times when required for the inspection of the assessor, assistant assessor, collector, deputy collector or inspector, who may take any memorandums, or transcript thereof; and on the first, eleventh, and twenty-first days of each and every month, or within five days thereafter, the owner, agent, or superintendent shall render to the assessor of the district an account in dupli-

cate of the number of barrels of petroleum or rock oil sold, and of the number of barrels removed for consumption or sale or storage, not before accounted for.

SEC. 10. *And be it further enacted*, That wherever, under the proviso to section one hundred and three, the addition to any fares shall amount to a sum involving the fraction of one cent, any person or company liable to the duty of two and one-half per cent, as in said section provided, shall be authorized to add to such fare one cent in lieu of such fraction.

SEC. 11. *And be it further enacted*, That lucifer or friction matches, and cigar lights and wax tapers may be transferred, without payment of duty, directly from the place of manufacture to a bonded warehouse established in conformity with law and treasury regulations, and upon the execution of such transportation bonds or other security as the Secretary of the Treasury may prescribe, said bonds to be taken by the collector in the district from which such removal is made, and may be withdrawn therefrom for consumption after affixing the stamps thereto as provided by the act to which this act is an amendment, or may be removed therefrom for export to a foreign country without payment of duty or affixing stamps thereto, in conformity with the provisions of the act aforesaid, relating to the removal of distilled spirits, all the rules and regulations and conditions of which, as far as applicable, shall apply to lucifer or friction matches, cigar lights, and wax tapers in bonded warehouse. And no drawback shall in any case be allowed upon any lucifer or friction matches, cigar lights, or wax tapers, upon which any excise duty has been paid, or stamps affixed, either before or after they have been placed in bonded [w]arehouse.

SEC. 12. *And be it further enacted*, That any person required by law to be licensed as a manufacturer of tobacco, snuff, or cigars, before said license is issued, shall give a bond to the United States in such sum as shall be required by the collector, and with one or more sureties to be approved by the collector, conditioned that he will comply with all the requirements of law in regard to any persons, firms, companies, or corporations, engaged in the manufacture of tobacco, snuff, or cigars; that he will not manufacture nor employ others to manufacture tobacco, snuff, or cigars, without first obtaining the requisite permit for such manufacture; that he will not engage in any attempt by himself or by collusion with others to defraud the Government of any duty or tax on any manufacture of tobacco, snuff, or cigars; that he will render truly and correctly all the returns, statements, and inventories prescribed for manufacturers of tobacco, snuff, and cigars, and will pay to the collector of the district all the duty or taxes which may or should be assessed and due on any tobacco, snuff, or cigars, so manufactured, and that he will not knowingly sell, purchase, or receive for sale any such tobacco, snuff, or cigars, which has not been inspected, branded, or stamped, as required by law, or upon which the tax has not been paid.

SEC. 13. *And be it further enacted*, That all persons and every person who shall engage or be concerned in the business of a lottery dealer without having first obtained a license so to do, under such rules and regulations as shall be prescribed by the Secretary of the Treasury, shall forfeit and pay a penalty of one thousand dollars, to be assessed by the assessor of the proper district and collected as assessed taxes are collected, subject, nevertheless, to the provisions of law relating to erroneous assessments, and shall, on conviction by any court of competent

jurisdiction, suffer imprisonment for a period not exceeding a year, at the discretion of the court. And it shall be the duty of all managers and proprietors, and their agents, to keep, or cause to be kept, just and true books of account wherein all their transactions shall be plainly and legibly set forth, which books of account shall at all reasonable times and hours be subject to the inspection of the assessor, assistant assessor, revenue agent, and inspector of the proper district; and any manager, proprietor, agent, or vender under this act, who shall refuse or prohibit such inspection of his or their books, as aforesaid, shall pay a penalty of one thousand dollars or suffer imprisonment for a term not exceeding one year for every such offence.

SEC. 14. *And be it further enacted*, That the capital of any State bank or banking association which has ceased or shall cease to exist, or which has been or shall be converted into a National Bank, for all the purposes of the act to which this is an amendment, shall be assumed to be the capital as it existed immediately before such bank ceased to exist or was converted as aforesaid. And whenever the outstanding circulation of any bank, association, corporation, company, or person shall be reduced to an amount not exceeding five per centum of the chartered or declared capital, existing at the time the same was issued, said circulation shall be free from taxation. And whenever any State bank or banking association has been converted into a national banking association, and such national banking association has assumed the liabilities of such State bank or banking association, including the redemption of its bills, such national banking association shall be held to make the required return and payment on the circulation outstanding, so long as such circulation shall exceed five per centum of the capital before such conversion of such State Bank or banking association.

SEC. 15. *And be it further enacted*, That in any port of the United States in which there is more than one collector of internal revenue, the Secretary of the Treasury shall designate one of said collectors to have charge of all matters relating to the exportation of articles subject to duty under the laws to provide internal revenue; and at such ports as the Secretary of the Treasury may deem necessary there shall be an officer appointed by him to superintend all matters of exportation and drawback, under the direction of the collector, whose compensation therefor shall be prescribed by the Secretary of the Treasury, not exceeding, however, in any case, an annual rate of two thousand dollars, which, together with the office expenses of such superintendence, shall not be included in the maximum of the aggregate expenses of the office of the said collector. And all books, papers, and documents in the bureau of drawback in the different ports, relating to the drawback of duties paid under the internal revenue laws, shall be delivered to said collector of internal revenue.

SEC. 16. *And be it further enacted*, That all provisions of any former act inconsistent with the provisions of this act are hereby repealed: *Provided however*, That no duty imposed by any previous act, which has become due or of which return has been or ought to be made, shall be remitted or released by this act, but the same shall be collected and paid, and all fines and penalties heretofore incurred shall be enforced and collected, and all offences heretofore committed shall be punished as if this act had not been passed; and the Commissioner of Internal Revenue, under the direction of the Secretary of the Treasury, is authorized to

make all necessary regulations and to prescribe all necessary forms and proceedings for the collection of such taxes and the enforcement of such fines and penalties for the execution of the provisions of this act.

SEC. 17. *And be it further enacted*, That the privilege of purchasing supplies of goods imported from foreign countries for the use of the United States, duty free, which now does or hereafter shall exist by provision of law, shall be extended, under such regulations as the Secretary of the Treasury may prescribe, to all articles of domestic production which are subject to tax by the provisions of this act.

SEC. 18. *And be it further enacted*, That this act shall be in force and effect on and after the first day of April, in the year eighteen hundred and sixty-five, unless otherwise provided by this act.*

SEC. 19. *And be it further enacted*, That the Secretary of the Treasury is hereby authorized to appoint a commission, consisting of three persons, to inquire and report, at the earliest practical moment, upon the subject of raising, by taxation, such revenue as may be necessary in order to supply the wants of the government, having regard to, and including, the sources from which such revenue should be drawn, and the best and most efficient mode of raising the same, and to report the form of a bill; and that such commission have power to inquire into the manner and efficiency of the present and past methods of collecting the internal revenue, and to take testimony in such manner and under such regulations as may be prescribed by the Secretary of the Treasury. And such commissioners shall receive for their services three hundred dollars a month for the time necessarily employed, and their necessary travelling expenses.

SEC. 20. *And be it further enacted*, That the Secretary of the Treasury may, at any time, prior to the first day of July, eighteen hundred and sixty-six, assign to the office of the Commissioner of Internal Revenue such number of clerks as he may deem necessary, or the exigencies of the public service may require; and the privilege of franking all letters and documents pertaining to the duties of his office, and of receiving, free of postage, all such letters and documents, is hereby extended to said Commissioner.

Approved, March 3, 1865.

* The provision requiring cigars to be packed in boxes, and that relating to imported matches, (sec. 2,) take effect from the passage of the act. The amendment relating to licenses take effect May 1.

NATIONAL BANK CURRENCY.

BY an amendment to the National Currency Act, passed at the late session of Congress, the amount of circulation contemplated by that act is to be apportioned to the different States and Territories. In view of this fact, Mr. HUGH M'CULLOCH, Comptroller of the Currency, issued a circular, saying:—"All persons, therefore, who contemplate the organization of National Banks, other than those whose papers have been filed or whose applications have been approved, are requested to suspend operations until the necessary data can be collected and the required apportionment can be made. State banks contemplating a change of organization can proceed without interruption."

THE CROPS OF 1863 AND 1864.

Mr. ISAAC NEWTON, the Commissioner of Agriculture at Washington, has published in advance of his report, the following tables, showing the amount, the yield per acre, the whole average, the price per bushel, and the total value of the crops of 1863 and 1864:

AMOUNT OF CROPS.

	1863. Bushels.	1864. Bushels.	Increase. Bushels.	Decrease. Bushels.
Indian corn	397,839,212	530,451,403	132,612,191	.....
Wheat	173,677,928	160,695,823	.....	12,982,105
Rye	19,989,335	19,872,975	.....	116,360
Oats	170,129,864	175,990,194	5,860,330	.....
Barley	12,158,895	10,716,328	.....	1,442,567
Buckwheat	15,786,122	18,700,540	2,914,418	.....
Potatoes	98,965,198	96,532,029	.....	2,433,169
Total	888,546,554	1,012,959,292	141,386,939	16,974,201
Tobacco.....lbs.	163,353,082	197,460,229	34,107,147	.....
Hay .....tons	18,346,780	18,116,691	.....	230,089

AVERAGE OF CROPS.

Indian corn	15,312,441	17,488,752	2,126,311	.....
Wheat	13,098,936	13,158,089	59,153	.....
Rye	1,439,607	1,410,983	.....	28,624
Oats	6,686,174	6,461,750	.....	224,424
Barley	557,299	540,317	.....	16,982
Buckwheat	1,054,060	1,051,700	.....	2,360
Potatoes	1,129,804	902,295	.....	227,509
Tobacco.....lbs.	216,423	239,826	23,403	.....
Hay .....tons	15,641,504	15,034,564	.....	606,940
Total	55,136,248	56,238,276	2,208,867	1,106,839

VALUE OF CROPS.

Indian corn	$278,089,609	527,718,183	249,628,574	.....
Wheat	197,992,887	294,315,119	96,322,282	.....
Rye	20,589,015	31,975,013	11,385,998	.....
Oats	105,990,905	139,381,247	33,390,342	.....
Barley	13,496,373	16,941,023	3,444,650	.....
Buckwheat	12,660,469	21,986,763	9,326,294	.....
Potatoes	55,024,650	77,184,043	22,159,393	.....
Tobacco	24,239,609	29,335,225	5,095,616	.....
Hay	247,680,855	365,707,074	118,026,219	.....
Total	$955,764,822	1,504,543,690	548,779,368	.....

TABLE OF COMPARISON BETWEEN 1863 AND 1864.

Total bush	888,546,554	959,821,150	21,274,596	.....
Tobacco.....lbs.	163,353,082	140,503,760	.....	22,849,322
Hay .....tons	18,346,780	18,004,366	.....	342,264
Average	55,136,248	53,950,797	.....	1,185,451
Value crops	$955,764,322	$1,440,415,435	$484,651,113	.....

The value of crops, the market value of gold when the prices were taken, and the per cent increase of the value of both are as follows:

Years.	Value crops.	Rate gold.	Per ct. inc. Gold value.	Per ct. inc. Value crops.
1862	$706,887,495	181	..	..
1863	955,764,822	147	12	35
1864	1,440,415,435	227	54	50

The relative difference of 1863 and 1864 between the increase of gold value and of the value of crops, shows that, of the advance in the value of crops in 1863, twenty-three per cent over the gold value was caused by the demand of government for war purposes; but in 1864, great as was the increase in the value of the crops, being $484,651,113, it was four per cent less than the increase in the value of gold. This proportional decrease was doubtless caused by the decrease of exports in 1864.

THE ATLANTIC TELEGRAPH CABLE.

The new Atlantic cable, which is now in process of manufacture in England, is to be about two thousand five hundred miles long, allowing four or five hundred miles for all contingencies. Its core, through which the electricity passes, is to be composed of seven strands of the best copper wire, making together over seventeen thousand miles of copper wire; this is to be enclosed in eight coats or layers of insulating material; then follow ten coatings of jute, and ten iron wires. Each wire is covered separately with five twists or strands of yarn.

About eight hundred miles of this cable is now ready, and is being placed on board of the Great Eastern, and will fill one of three large tanks prepared to receive it. It is intended that in June next the whole two thousand five hundred miles of the cable will be ready to pay out from the Great Eastern, and be sunk "down among the dead men," who, for once, will have their connection with the living world of humanity resumed wherever their bones come into contact with the cable.

THE NEWSPAPER TRADE.

Ten years ago, the whole amount of business done by the wholesale newsagents did not probably exceed in amount the sum of $750.000 yearly. Now the cash receipts of the American News Company of New York, for the sale of newspapers, magazines, books and stationery, for the eleven months ending with the thirty-first of December last, have reached the sum of $2,226,372 83. We learn from the office of that company, that probably forty millions of newspapers were handled within that time by persons in the employ of the company, of whom seventy were constantly occupied in getting them in, charging, distributing and shipping them. For wrapping paper and twine, with which to pack this enormous mass, the company paid twelve thousand dollars.

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Engd by W. G. Jackman

A. Lincoln

THE

MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

MAY, 1865.

ABRAHAM LINCOLN.

By Matthew Hale Smith.

The past month will ever be most remarkable in our country's history as furnishing perhaps its brightest and darkest pages, illustrating in that short period the two extremes of intense national joy and intense national grief. The lights and shadows of the picture could not be more strongly marked. Victory after victory had filled all hearts with gladness, until, at length, this most formidable rebellion was left without a capital, without a government, without a military organization, and one earnest, united, joyful hallelujah of a country saved re-echoed throughout the length and breadth of the land. Then, as if to add one more drop to the full cup of happiness, came the welcome proclamation that no further armies were needed, for peace was at hand. With how light a heart each one went through his daily duties on that fourteenth of April! The gray-haired man looked younger, and the child's laugh sounded merrier than for many a weary month and year before, and on all sides could be heard the earnest, joyful prayer—God bless Abraham Lincoln. But, before midnight, came the announcement of the death of the very one upon whom every eye was fastened, and about whom a nation's hopes were clustered. Nor was it to him a peaceful folding of the hands to sleep, but an unnatural, violent, cruel end, at the hand of a cowardly assassin. To portray the sudden grief thus brought upon the nation is impossible. Every face showed it, every voice spoke it, and, instead of yesterday's rejoicing, a cloud of profound sorrow darkened the entire land. The head was stricken, and all the members of the national body quivered with agony.

THE DAY BEFORE THE ASSASSINATION.

Everything relating to Mr. Lincoln, especially to the closing days of his eventful life, has a mournful interest at this time. It was the privilege of the writer to be at the executive mansion on Thursday, the day before the

assassination. Since the inauguration, the President has been run down with calls of all descriptions. Before the morning mail was assorted, and sometimes before the President had breakfasted, office seekers and their associates would be roaming round the White House, invading the private apartments in search of Mr. LINCOLN. His good nature and kindness of heart induced him to give an audience to almost every one who sought it, till the raid on his rooms became a positive nuisance, and hindered public business, and denied to the President any moments of leisure. If the heads of department of the City of New York find it impossible to transact public business unless the public are shut out, and calls limited in business hours to those only who have business with the departments; if our leading merchants, among whom are STEWART, and men of his range of business, are compelled to put a guard at their doors, and demand of all comers, for what they call, that their business may be transacted—how much more should the President of the United States be protected against that which is more burdensome than all the duties of his office, and which, in more than one instance, has literally worn the executive into the grave. On reaching the White House, a few minutes before ten o'clock—the hour appointed for public reception—a crowd was seen on the front steps awaiting the opening of the doors. A placard hanging from the bell handle announced that "positively no person admitted till ten o'clock." On the opening of the doors a rush was made for the Chamber of Audience, resembling a rush for dinner on board an over-crowded steamboat. The ante-chamber presented a sight. Senators, members of Congress, governors, judges, lawyers, generals, corporals, office-holders, office-seekers, sick soldiers and lame, colored men and boys. There were seats for four persons, and there were fifty persons in the room. Men sat on the window sill, on the steps, on the wood-box, and on a champagne basket. Some reclined on the floor, and some walked impatiently about. Many had been in attendance for twenty-four hours, and some for twenty-four days. They had sent in their cards daily, and waited for the moving of the waters, no-wise discouraged though another stepped in before them. Every card was taken in by the gentlemanly usher, and laid before the President, and his face glowed with satisfaction whose name was announced with the assurance the President "will see you, Sir." Members of the Cabinet were coming and going all day. They had the preference over all others, and were admitted without question or announcement. While the crowd were waiting for an interview, a gentleman walked up the stairs unattended, passed through the ante-chamber, and into the room of the private Secretary of the President. He seemed about fifty years of age, tall, well built, with black hair, without whiskers or mustache. He was genteely dressed in a black frock, pants, and satin vest. His appearance would attract attention anywhere as that of a man of mark. He spoke to no one, no one spoke to him. With his head inclined, like one on whom grave cares rested, he entered and closed the door of the room adjoining that in which the President sat. It was casually remarked, "That is ANDY JOHNSON, the Vice-President." He was not then in power. No one supposed him of consequence enough to be spoken to. Had those courtiers known what a day would bring forth, they would have asked the privilege of removing the dust from Mr. JOHNSON'S boots. Those who were fortunate enough to obtain access to the President's room that day could not fail to notice his robust health, his genial spirit, and unbounded humor,

his hopeful tone for the future, his firm belief that the black cloud over our national horizon would soon be rolled back, and peace be proclaimed throughout the land. None could believe that in a few hours he would be cold in death, and the nation mourn over him with a great lamentation.

MR. LINCOLN'S EARLY LIFE.

Mr. LINCOLN was born in LaRue County, in the State of Kentucky, on the 12th of February, 1809. He came from a poor but honest parentage, and received a good constitution and good principles as his inheritance. He knew toil, suffering, and hard usage. But he had a genial humor that compensated and softened his hard lot. With his early labor as a lad—tending cattle or driving the plow—cutting his way through the woods with his axe—splitting rails to fence in the farm of JOHN HUNTER, or putting his shoulder to the pole as a flat-boatman—he was far happier than the pampered child of luxury. He made a pleasure of toil, and, through a long life, cultivated that "merry heart that doeth good like a medicine." Mr. LINCOLN was a self-made man in the best sense of that term. His educational privileges were few. Common schools were not known in the home of his youth, and he had no means to purchase the priceless boon of learning. But, with a vigorous constitution, he had that thirst for knowledge, a resolution to elevate himself, that prompted him to embrace every opportunity to gain information—to tread all the paths of knowledge he could find, and to drink at every open fountain. Diligent in his calling, and industrious in his aims, he gained an education that enabled him to stand among the peers of the land, and to rule this great nation with credit and wisdom.

He is a good illustration of what our noble land can do for its humblest children. No man is so poor, or so ignorant, that a blessing may not rest on his household. The child of the lowly and of the exile, can gain an education free as the air, and good as that which VICTORIA can give her titled children, with the treasury of her kingdom at her command. The sons of coal heavers and porters become millionaires. The store boy of one generation becomes the princely merchant of the next. The glory of a nation is not its palaces, its luxury, its gold and silver and precious stones, its marble halls, its statuary and paintings. It is in intelligent toil, which is the charm of life, in its thousands workshops, in its marts of trade, in the moral rank of mechanical labor. By these, cities rise—schools, those hiding places of a nation's power, abound—colleges grace the land—churches bless the people—enduring prosperity covers all the habitations of those whose walls are salvation and whose gates are praise. No nation can be tranquil, and no man blest, without employment. The nations who rule the world are marked by intelligent industry. England is called a "nation of shopkeepers," but on her domain the sun never sets. When Dr. JOHNSON expressed his hate of Scotland, because the men and the horses ate the same food, it was significantly asked him where he could find better men or better horses. Where spicy breezes blow softly over the land, and the fruits of the earth come forth without the sweat of labor, there "man is vile." The noblest men of our nation have laid the foundation of their fame and usefulness in the early toil that made their bodies rugged and gave them independence of soul. WASHINGTON blest the discipline that attended his early career as a surveyor. FRANKLIN educated himself at the printing-

press, and amid the daily work of a laborious trade. It was worth sending a letter to France to tell the then Minister at St. Cloud, that his son, JOHN QUINCY, was going to be a man as he rode post to Boston from Braintree with the mail, and did it well. WEBSTER was never ashamed of the log cabin home of his mother, so far on the frontier that the smoke of no white man's hut stood between it and the Canadian line. He never tired of telling of his first investment of the little money earned by hard work with which he bought of a roving peddler a cotton handkerchief, on which was printed the Constitution of the United States—nor how in that home, too poor to allow a candle, he sought out the best pitch knot on the farm, and by its light, as he lay on the hearth, he committed that wonderful instrument to memory. I followed in his wake on his last eastern tour when he sought the little town of Fryburgh, in the State of Maine, to look once more on those "town records" that he, in his early days, wrote with his own hand to eke out a scanty living. Of those memorials of his early resolute purpose to rise he was justly as proud as of any speech or paper that commands the admiration of the world. With the noble army of self-made men, Mr. LINCOLN was not ashamed to array himself. He took no pains to hide his humble birth, or the struggles with ignorance and poverty that attended his upward steps. In 1860, he was in New York. He visited one of the missions at Five Points, and made an address. He detailed his poverty and early struggles, the principles on which he had acted, how success had attended, "And now children," said he, "I am a lawyer."

MR. LINCOLN'S PUBLIC LIFE.

It is not our purpose to write a full biography of Mr. LINCOLN. His public career is well known. His life will be a study for the generations that are to come after us. He ate no bread of idleness. He entered any open field, when in want of employment, that presented itself. At one time we find him in a small country grocery, and then tending a flouring mill. Not succeeding as principal, he became a clerk. On the breaking out of the Black-Hawk War he volunteered and was elected Captain of a company from New Salem. While his company wearied at the privations and exposures of camp life, their Captain, cheerful, jovial, and untiring, kept up the spirits of the party. With an ardent, active, ruling mind he became a politician amid a community that demanded a leader. He studied law under great difficulties, and made himself an equal among the leading members of the bar where he practiced. He entered the Legislature of his adopted State, became a member of Congress, and, though he failed to gain a seat in the Senate, yet, in his contest with Senator DOUGLAS, the marked ability with which he conducted the campaign, made him President of the United States. In all his public life he has been a favorite with the masses. He was trusted as an honest man. And the heart of the people was with him.

MR. LINCOLN AS A STATESMAN.

If a statesman be one "versed in the art of government, or eminent for political abilities," then the late President will rank high among the statesmen of the land. He came to the chair of State in a time of peril and civil war. The Government was at sea. The nation knew not whom to trust, nor what policy to adopt. Men who sat in Congress had joined the

standard of rebellion. Men educated at the expense of the nation, and who had sworn to protect its flag with their blood, had drawn the sword in the cause of men who had trampled the banner of WASHINGTON in the dust. The air was full of treason. We had no arms and no money. Men-of-war, destroyed by the hands of Americans, lay useless at the dock. In disguise, the President came into his capital to escape assassination. More than once Washington has been in danger. Parties and cliques have been organized against the President. His foes have often been those of his own house. Eminent members of the Senate sent out against him a bill of indictment. Chairmen of prominent committees of the House pronounced him unworthy of public confidence. Yet all these discordant elements have been harmonized, and all the factions dissolved. He died, leaving a nation in tears, and ours the strongest Government on the face of the earth. At no time have the various departments been more ably conducted. That Mr. SEWARD has kept us out of a foreign war, while civil commotion raged in our borders—that he has been more than a match for the astute and subtle diplomacy of the old world—meeting promptly and ably all the new and complicated questions that have arisen in our four years of war, is universally acknowledged. The War Department is conducted with vigor. Dislike Mr. STANTON, as some do, all must admit the eminent ability—the executive force and promptness with which he meets the gigantic labors of his department. If any doubts this let him visit the War Department at the hour when Mr. STANTON gives public audience to his visitors, and see the promptness, kindness, and ability with which he disposes of case after case,—standing up in the center of the room, hearing all who wish to speak, and sending twenty men away in an hour with their business completed, and manifesting infinite patience towards the stupid and those who have no common sense. When the present head of the navy took his department the navy had only a name. Now our ships of war have changed the warfare of the world. Our navy is the admiration of all governments. It shares with the army the glory of its great conquest. And if GRANT and SHERMAN command the admiration of all military men, who by universal consent place them by the side of FREDERICK the Great, NAPOLEON, and WELLINGTON, FARRAGUT and his associates will be remembered while NELSON'S name is honored. To create such an administration in four years indicates no common talent. In his own way, but with signal ability, Mr. LINCOLN has met all the great questions that have arisen during his administration. On Wednesday evening, before his death, a party of gentlemen called on Mrs. LINCOLN. In speaking on the question of reconstruction, she said it gave her husband no concern—his mind was made up, and he delighted in anything that made him a lawyer again. This was a legal matter, and he would treat it as he would a case in court. It was a simple recreation, in which he enjoyed himself greatly.

MR. LINCOLN'S HABITS.

The simple, unaffected habits that he brought with him from his Western home he maintained to the last. He had no airs. The cares of State never sat heavily upon him. He saw no reason why he should not enjoy himself as well in the White House as at Springfield. If he wanted a paper from the department, instead of sending for it he went after it, as he would to the office of a brother lawyer—now into the office of the Secre-

tary of State, now into the War Department. He had a round that he would run in the evening. If missed from the White House, those in the secret knew where to find him. And if he was not in one of these places he was accustomed to visit, parties would track him from point to point till he was found. He seemed never weary with the calls and demands on his time. From ten till four the crowds daily beseiged his door for an audience. Many of them had no business there; many of them would bore the President and refuse to leave when an answer was given. But his patience and good-humor greeted the last of the throng, though weary with the visits, as they did the early comer. Difficult as it often was to gain access to Mr. LINCOLN, once in his presence the auditor had his attention till the close. He could say all he had to say. Sometimes the wearied President would ring his bell for a new comer to get rid of an intolerable annoyance, but generally he allowed the visitor to depart in his own time. Often at the close of the day he would give orders for all the company in waiting to come in together. With a quiet humor he received them as each were anxious to get the private ear, or be first heard among the company. Seated in his chair, sometimes with one leg thrown over the other, sometimes the leg thrown over the arm of the chair, the President would hear patiently what the auditor had to say—reply—hear a rejoinder—make an additional reply, add some little incident, or make some witty remark, which usually ended the conference. Few men had the ability or desire to respond the second time. Some of these mass interviews were humorous indeed, and were highly enjoyed by the President. The great point was to get an audience. If a case was commended to his attention, he would hear it through. Men beset him in his private walks, headed him off when he was on horseback, hid behind the trees in the public lawn to fall upon him as he passed along, knowing that he would give them a hearing if they could but speak to him. One day, after a fatiguing levee of many hours, the audience room was closed at 4 P. M., with the usual announcement, "Gentlemen, the President will receive no more to-day." At five the President passed from the Mansion to the War Department. He was intercepted by a woman, who seized him by the arm, and in impassioned tones said, "Oh! Mr. LINCOLN I want to speak one word to you." He replied that he could give audience to no one, that he was greatly pressed, and had no time to spare. She replied, "Oh! I must see you just for one moment; for my poor old father's sake you will not deny my request." Mr. LINCOLN had the heart of a woman. Against this appeal he was not proof. He abandoned his visit to the War Department—went back to his room—heard her story—granted her request—and sent her home a happy daughter. Mr. LINCOLN was an early riser. Much of his private correspondence and business was done before his breakfast. At nine, the family came together for the morning meal. The after part of the day was devoted to domestic and social life, to rides and company, and to intimate friends. Dinner was served at 6, and coffee in the scarlet room, where, in the bosom of his family, and among personal friends, the cares of State were thrown off, and generous, genial hospitality dispensed.

HIS TENDER AND HUMANE SPIRIT.

Mr. LINCOLN had the toughness and elasticity of India-rubber. He seemed to yield when he was the firmest. He gained his ends by keeping

the great point in view, and being not at all particular about the mode. His kindness was accounted incompetency—his tenderness imbecility. Nothing could change the goodness of his heart. Not the threats of assassination—not the repeated attempts to take his life—not the bitterness of the campaigns of '60 and '64—not the brutal treatment of our poor men in the rebel prisons. All these could not make his heart hard, nor his spirit cruel. As he, the second time, took his seat as Chief Magistrate of the nation, he could do so "with malice towards none, with charity for all." On the day of his death he was the best friend the South had in the North. From him they could have secured better terms for reconstruction than from any other living man. He left his mansion, on the evening of the fatal 14th of April, with a face glowing with joy—with spirits buoyant over the hope of returning tranquility—and with a heart full of compassion towards the erring men of the South. The assassin that took his life silenced the beatings of a heart that was full of good-will to men. His life was full of humanity. In him the widow and orphan found a friend. The lowly and oppressed were never turned away without relief. He arrested the mailed hand of military justice when he thought the blow could be averted with safety. The tears of many a pardoned soldier will fall on his grave. Among the cherished memories of the President, his humanity will be the most dearly prized. On one occasion a regiment came in from a long and fatiguing march. One of the exhausted men was put on guard. Wet, muddy, and tired, the soldier slept on his post. He was discovered, tried, and ordered to be shot. The President learned the circumstances, pardoned the prisoner, and ordered him to duty. The soldier died in the swamps of the Chickahominy. On his death-bed he said to a comrade, "Tell President LINCOLN how I loved him, and how I prayed for him with my dying breath." The poor, lowly, and oppressed found in him a warm friend. Among the general mourning of this city, nothing is more touching than the marks of grief that hang around the homes of the humble. Well may they mourn, for the lowly and the oppressed have indeed lost a friend, whose compassion towards them was constant—the pleasant tones of whose voice, which had only kind utterances for them, are silent for ever.

THE GREAT MOURNING.

The news of the assassination ran through the city like light. It saddened every heart. The sound of wailing and woe were heard on all sides. Early in the morning, on Saturday, the porters and clerks opened the stores as usual. Slowly and solemnly the merchants came down town. The iron shutters were closed. Business was suspended. At noon, New York was quiet as on the Sabbath. When PRINCE ALBERT died, the Queen commanded her people to put on mourning. New York waited for no mandate, took no council. By a common impulse the city seemed at once to be draped in mourning. The rich and the poor met together to mourn the death of a common friend. The fish-women in the market put black on their baskets; carmen hung mourning flags on their bridles—and the hackmen tipped their whips with crape. The homes of the dissolute and abandoned had on them marks of sorrow. On every part of the city seemed to be written—"How are the mighty fallen." Mr. LINCOLN died in the fullness of years and of fame. He could have found no fitter time for his own reputation's sake. Enmities were hushed, and the heart of the people

confided in his integrity and ability. His memory is endeared by thousands of ties. He is more beloved than any Chief Magistrate since the Father of His Country was carried to his burial by a sorrowing nation. May the Divine Power that has flung the blood-stained mantle of the martyred LINCOLN on his successor, endow him with his spirit.

PHYSICAL FEATURES OF THE OIL REGIONS.

BY PROFESSOR E. W. EVANS, MARIETTA COLLEGE.

I PROPOSE in this article to state a few general facts respecting the conditions under which petroleum has, thus far, been found to exist in this country.

1. *In what formations found.* The best oil districts yet developed lie, geographically, within the limits, or on the outskirts, of the Appalachian bituminous coal field. Some wells in Ohio and West Virginia derive their supplies from the upper coal measures, others from the lower. The largest collections of oil in Pennsylvania are found below the coal measures proper, partly in the lower group of the subcarboniferous rocks, and partly, it is said, in the upper Devonian. The latter formation is well known to include some oil-bearing strata, for example, the Marcellus shales, and the sandstones of the Chemung period; but experiments made in boring for oil in these, in places where not overlaid by carboniferous rocks, have not yet led to very profitable results. In Canada, a species of oil, supposed by some to be of animal origin, is found in the lower Devonian, and even as far down as the Silurian; but in the United States, the great supplies are found associated with the abundant vegetable fossils of the coal formation and of the rocks immediately subjacent to it. As a general fact, the lower carboniferous strata have been found more productive of oil than the upper. The most abundant supplies, thus far, have been found on the western slope of the Alleganies, where the oil-bearing strata have their greatest thickness.

From the fact that the quantity of petroleum does not bear anything like a direct ratio to the quantity of coal locally associated with it, it may be inferred that it has not been derived from the coal, though probably they are of similar origin.

2. *In what kinds of rock.* The best deposits are found in the cavities of loose, brittle, much-fractured sandstone or conglomerate. Sometimes the sandstone is quite argillaceous, approaching a shale in character. In some places, the most productive oil-rock is a somewhat calciferous sandstone; but in pure limestone rock, the cavities are usually too extensive, and afford too free passage to running water, to hold good collections of oil imprisoned. The corniferous limestone (which is an ancient coral reef of the lower Devonian) contains petroleum in its minute cellules; but it has not yet, unless in Canada, yielded any in bulk. Strata of shale and slate often contain petroleum; but it is so generally diffused through the small fractures, and through the substance of the rock itself, that it cannot be obtained in large quantities. Indeed, it is a general fact that the rocks through which oil is universally diffused, and in which it may be conceived

to have had its origin, are not those which contain it in collections large enough to be profitably pumped. Hard, compact sandstone is usually, for want of cavities, unproductive. This kind of rock, however, often serves as a cover to confine the oil in a looser rock underlying it. It is a common experience among borers to strike oil directly beneath such an impervious layer; for example, under the "third sandrock" of Oil Creek.

It is known that beneath the oil-bearing sandstones, at greater or less depths, there are different strata of bituminous shales containing vegetable impressions. This gives plausibility to the theory that the oil had its origin in the vegetation of the shales, and that by a slow process of distillation, caused by internal heat, it has worked its way up through the cracks and fissures, and gradually accumulated in such cavities in the rocks above as do not admit of its escape to the surface. The most general source of petroleum may have been the so-called black slate, which is widely extended over the Western States, and is considered identical with the Marcellus shales of New York; but on the Western Appalachian slope, there are numerous strata of bituminous or carbonaceous shales above this, included in the carboniferous system.

3. *At what depths.* Other circumstances being equal, deep wells, as a class, are more productive than shallow ones. To speak more explicitly, supplies of petroleum found at a depth of two or three hundred feet or more, are much more copious and lasting than those found at a less depth. Wells not over a hundred feet in depth often give good promise, at first; but they are soon exhausted. The best wells are, generally, not less than five hundred feet deep. Many of the most celebrated wells in Pennsylvania derive their supplies from a depth of seven or eight hundred feet, and have been producing for four or five years without complete exhaustion. In shallow wells, it is common to find a heavy lubricating oil, the commercial value of which is greater than that of the light illuminating oil; but what is thus gained in quality is, as a general fact, many times lost in quantity.

The shallow deposits have undergone more waste by evaporation and drainage, in proportion as their communications with the surface are more free and direct; and the more volatile oils have, of course, escaped more rapidly than the heavy. In regions where the oil-bearing strata are not covered by a considerable mass of superincumbent rock, no large collections of petroleum are likely to be found.

4. *Connection with uplifts and depressions.* Sandstone rocks lying horizontally, or in their original place of deposition, have few cavities. However general the origin of petroleum may have been, the principal collections of it are now found in places where there are some marks of geological disturbance. In connection with other signs, uplifts and depressions of the strata, as indicated by an unusual degree of dip and marked changes in the direction of it, are justly regarded as important conditions of the existence of large and numerous deposits of petroleum. In that loose, brittle class of sandstones in which petroleum most abounds, there are numerous cavities and fissures in regions of disturbance, not only along the anticlinal and parallel synclinal axes, but also under the included slopes. Facts learned in boring demonstrate that oil cavities are irregular and zigzag in shape, but generally quite narrow, and running, not along the strata, but across them. In calciferous sandstones,

the cavities have doubtless been enlarged by the dissolving action of water, and its slow percolation, with carbonate of lime in solution, through transverse crevices to the surface. The same is true of cavities in sandstones containing disseminated particles of salt, or other soluble minerals. It seems that the looser class of sandrocks were thoroughly fractured by the disturbing force, while the more compact and homogeneous class interstratified with them were only bent, or slightly broken only at considerable intervals, marked by oil and gas springs.

But this idea of dislocation of the rocks being evidence of oil deposits, is subject to a very great limitation. There is an extensive system of lines of upheaval running parallel to the Allegany mountains, on both sides of them, as if all produced by the same force which slowly raised the mountain folds themselves, acting in a direction nearly at right angles to the Atlantic coast. It is important to observe that those which characterize the most productive oil regions, west of the mountains, are simple flexures. The slopes are curved or polygonal, and the axial lines not sharply defined. Open breaks and wide disruptions are unfavorable signs, since they admit of the free escape of oil to the surface. In places where such marks exist, no considerable deposits have been found. East of the mountains, where there is little or no oil, and even the coal has been debituminized, the dislocations are violent, exhibiting great disruptions and faults.

The somewhat popular idea of an oil-basin, except so far as limited to a synclinal axis of disturbance, indicating cavities, is a delusion. It seems to be imagined that petroleum would descend along the strata from the sides of a natural basin toward the centre. But being lighter than water, which is always found with it, its tendency is upward, not downward, even through the slight transverse crevices; and we could not conceive of it as running freely along the strata without supposing that it would be rapidly washed to the surface.

5. *Metamorphism as a sign.* In the uplifting and folding of the strata which took place in the so-called period of the Appalachian revolution, heat (followed by great cooling and contraction) must have been an important agent, as shown by the somewhat metamorphic condition of the rocks in those places where the disturbance was greatest. In the region of great uplifts and faults east of the mountains, this condition, though not complete, is exhibited in a much more marked degree than in the region of slight and wavy flexures west of the mountains. The absence of petroleum, as, also, the debituminized condition of the coal and shales, east of the mountains, is to be attributed not only to the more open fractures and clefts in that region, admitting of its escape, but in part, also, to the direct expulsive power of the higher degree of heat concerned in causing those fractures. It is certain that scarcely any petroleum has been found in regions where rocks of decidedly metamorphic character are seen. It is certain, also, that even within the limits of the known oil regions, those places where the disturbance has been greatest, and the rocks approach nearest to that crystaline condition indicating metamorphism, have not been found rich in petroleum. Among the processes of metamorphism may be enumerated the change of soft and brittle sandstones into those of a hard and crystaline character, and often from a pale color to red,—the change of the compact and colored limestones into bleached and granular

ones,—the change of argillaceous shales into firm slates,—also, the partial or total obliteration of fossils. Another evidence of the heat which attended these processes is the frequent occurrence of lodes, or transverse veins of infiltrated metallic ores, and other substances not soluble at low temperatures. The oil regions are characterized by loose sandstones and conglomerates, by the soft, shaly condition of the argillaceous rocks, by the absence of regular beds of granular limestone, by the rare occurrence of lodes, by the abundance and perfect condition of the fossils, as well as by the highly bituminous condition of the coal and shales.

6. *Character of surface.* Too much stress is often laid on the nature of the surface rocks. Practically, the main question to be determined is, what is the character of the strata at the depths where oil may be expected in remunerative quantities; and in order to determine this, the geologist observes the direction and grade of the dip, and seeks the outcrop of the strata at a distance. But there are certain peculiarities in the configuration of the surface which characterize the Appalachian oil districts generally. The hills are abrupt and precipitous, the valleys narrow and deep, exhibiting in a very marked degree the effects of the process of degradation. Originally, the face of the country was higher than the tops of the present hills; but it has been worn down and cut deep by erosion, or the action of water. These effects are more marked than is common elsewhere; partly, because the rocks have been less hardened by metamorphism, and therefore wear away and crumble more easily. But the deep vallies of erosion often have a significance beyond this, and serve to define more nearly the location of oil deposits. Where the rocks have been most bent and crushed, the effects of erosion are naturally greatest. Hence we find that the narrow valleys of streams often coincide nearly with the anticlinal or synclinal axes of flexure. It is common to select, as sites for boring, the margins of creeks and runs, where the rocks either dip away to either side, or inward from both sides. These are sometimes on the axes of the main flexures; but they oftener mark slight local disturbances occurring as waves on the sides of a larger wave, and generally parallel with it, though sometimes running transversely. The surface rock would be most loosened along the anticlinal lines; hence these have oftenest determined the direction of narrow streams. Indeed, it is not uncommon to see the bottom of an original synclinal valley now crowning the top of a hill, while the original hills on either side of it have been worn down into deep gorges. But the mere fact of a deep valley or gorge is no proof of a line of disturbance of either kind. It is necessary in every case to determine the inclination of the strata in order to form an intelligent judgment. Often, the dip is in the same direction on both sides; but this, if considerable in degree, is of itself an evidence of dislocation and fracturing; for rocks lying in the position in which they were originally deposited are, as a general fact, either horizontal or very nearly so. Many flexures are marked only by a change in the grade of the dip.

7. *Surface oil.* In every oil district there is more or less "surface show," though not always very close to the sites of producing wells. It varies so much in quantity and quality, as well as in the circumstances under which it appears, that some discrimination is necessary in order to judge of its value as a sign. Considered independently of geological evidence, it affords,

at best, no proof that there is oil beneath, in collections large enough to be profitably pumped; for it may come up from beds of bituminous shale, or other strata that do not yield it in bulk. In the most productive districts, it is generally seen on low grounds, in a thin scum on springs and streams, where it comes up with water through slight crevices in the underlying rocks.

Oil coming to the surface in bulk, so often prized as a good sign, is really nothing more than an indication of shallow supplies. In many places where "Seneca oil" used to be collected in gallons, and even in barrels, as it issued from the surface strata or oozed up through the sand, experiments in boring have resulted in finding only small collections at a slight depth. The oil, originally deep in the earth, has gradually worked its way up toward the surface, through the too open cracks and fissures, and is rapidly undergoing the process of exhaustion. If, as on Oil Creek, other oil-bearing strata are found upon boring deeper, the kind of surface show here described afforded, beforehand, no evidence of their existence, but only of that which lies near the surface, or perhaps crops out in the hillside. To find this stratum at a good depth, it may be necessary to go off a considerable distance in the direction of its dip. Shallow oil is also indicated by collections of asphaltum, or a thick, tar-like oil approaching asphaltum. Owing to near communication with the surface, the more volatile parts have escaped, while the grosser parts remain. It is not uncommon to see thick oil, in considerable quantity, along those axes of uplift where the rocks are tilted up at very high angles, exhibiting too great disruptions and clefts. Some cases are known, as in one place on Hughes River, where such clefts are filled with a sort of solidified bitumen.

The thinnest scum of petroleum on water is bluish; a little thicker scum exhibits the colors of the rainbow, especially when agitated. Petroleum may also be distinguished by its dividing, when disturbed, and closing again with a perfectly even margin; while other scums, sometimes mistaken for it, break into pieces which do not perfectly re-unite. That which is oftenest mistaken for oil is a blue and somewhat iridescent scum, seen on waters holding carbonate of iron in solution, and precipitating a red ochreous substance (peroxide of iron) to the bottom. But it is not uncommon to find oil floating on the same pool with it. Oil-seekers are sometimes misled, also, by a soapy-looking scum which frequently arises from decaying vegetation in places where there are rills producing bubbles and foam.

Two or three drops of petroleum will cover a spring of ordinary size for half an hour with what would be recognized as fair surface show. The present production of petroleum must be very slow if it does not exceed the natural drainage through springs, which perhaps would require a geological period to exhaust the supplies now in the earth. Indeed, it is not difficult to suppose that these supplies have mainly come down from a period of much greater heat, perhaps the close of the carboniferous era, when the folds and cavities now containing them were produced.

8. *Gas springs.* In many places where oil appears on the streams and springs, carburetted hydrogen gas is also seen bubbling up through the water. Sometimes it is found issuing where no water is present. In the so-called burning springs the bubbling is constant, so that when the gas is set on fire it supports a steady flame; but in the common class of gas springs the bubbles come up only at intervals. From the bottom of most

oil springs they may be stirred up in considerable quantities, and burned as they rise to the air. Gas serves to define the location of oil deposits more nearly than surface oil. The latter may have been carried by the subterranean streamlets, up and down, to a considerable distance from its source. But gas, being more buoyant than oil, and not liable like oil to be borne along in minute quantities with descending currents, by the mere mechanical action of water, is less likely to wander far before it issues. But, as showing the quantity of oil, gas springs, considered without reference to other signs, are quite unreliable. They may be supplied with gas from beds of shale or limestone, or they may be connected with open fractures and rifts where the supplies are shallow. It is not uncommon to find a line of burning springs along the anticlinal axis of an upheaval.

The gas which comes from oil deposits is heavy carburetted hydrogen, or, at least, contains it in considerable proportion. It may be distinguished from light carburetted hydrogen by its burning with a brighter flame. The latter commonly arises from decaying vegetation, and is known as marsh gas. It sometimes comes from coal, being the same gas which, among the miners, is called fire-damp. Heavy carburetted hydrogen may also be distinguished by its brighter flame from sulphuretted hydrogen, which is sometimes mistaken for it. The fetid odor of the latter is another distinctive mark.

9. *Connection with mineral waters.* In the best oil districts there are numerous oil and gas springs in which the analysis of the water always reveals various minerals, such as common salt, chlorid of lime, carbonates of lime, soda and iron, sulphates of soda and potash, and sometimes sulphuretted hydrogen. These are variously called salt licks, chalybeate springs, sulphur springs, oil springs, and so forth, according to the mineral predominating. If, on the common springs of pure water, whose source is usually near the surface, oil is not seen, but only on mineral springs, it affords good evidence that the source of supply is quite deep. It comes up through slight cracks and fissures in the strata from depths where the water has lain in contact with many substances, and gathered its various mineral contents. The high temperature of these oil and mineral springs, as compared with the ordinary springs of pure water, is another fact indicating a deep source. But decidedly thermal springs (in the Appalachian region) are located on the axes of more violent upheavals than those which distinguish the oil districts.

The observed connection of petroleum with various soluble minerals, containing carbon and hydrogen, has led some to suppose that it is directly formed from these minerals, by some chemical interaction not proved or explained. This connection, however, may be satisfactorily accounted for without the aid of such an hypothesis. For, aside from the fact already adverted to, that mineral springs, as a class, come up from a great depth, and are thus naturally rendered the common vents of various liquids and gases, it is evident that the same class of cavities, protected from running water, in which petroleum lurks, are also the best adapted to harbor water impregnated with salt and other minerals. In an article "On the Action of Oil-Wells," (*Journal of Science*, September, 1864,) I presented some facts tending to show that the connection of the water in oil cavities with free currents is slight and indirect. The same is true of deposits of salt water, and mineral waters generally, for the simple reason that from cavities

exposed to free currents the minerals must, in the progress of ages, have been washed away. The history of salt wells presents various points of coincidence with that of oil wells. For example, the wells of the great Kanawha salines, in the neighborhood of Burning Spring, are located on a marked uplift. The salt water is found, according to Dr. HILDRETH, in a "white calciferous sandstone, full of cavities and fissures." The water is stagnant, and contains, besides salt, various muriates and carbonates. The same wells have yielded large quantities of petroleum with carburetted hydrogen. Indeed, it is a general fact that the water on which collections of petroleum are found is either quite salt, or brackish and nauseous with various minerals held in solution. Subterranean currents are almost always fresh, or nearly so; and experience has taught, that in fissures where pure water is found, no large deposits of oil are to be expected.

RAILWAY ACCIDENTS.

WE find the following recent railway accidents reported in the daily papers:

On the 31st of January last, a train of cars, on the Cleveland and Toledo Railway, was thrown from the track *by a defective rail*, and four or five persons were injured. On the 4th of February, a passenger train on the Marietta and Cincinnati Railway was precipitated a distance of fifty feet into Leer Creek, sixty miles east of Cincinnati, *by a defective bridge*. Ten or twelve persons were killed, and a number seriously injured. On the same day, a train on the Central Ohio Railway was thrown down an embankment near Newark, Ohio, *by a defective rail*, and a number of persons injured thereby. On the 8th of February, the express train of the Ohio and Mississippi Railway met with an accident near Oakdale Station, sixty-eight miles west of Cincinnati. Three of the hind-most cars in the train were thrown from the track *by a defective rail*. Many of the passengers were badly injured. On the 12th of February, a freight train on the Baltimore and Ohio Railway was thrown off the track *by a defective rail*, and the fireman instantly killed. On the 13th February, a train on the Grand Trunk Railway of Canada was thrown off the track, near the town of Guelph, and a car, containing between thirty and forty passengers, was tumbled down an embankment twenty feet high. A number of persons were seriously injured. On the 15th February, the milk train on the New York and New Haven Railway was thrown off the track, near Westport, *by a defective rail*. A large number of persons were severely injured. On the same day (15th) an accident, caused *by a broken rail*, occurred on the St. Louis and Alton Railway. The two rear cars of the train were thrown from the track and nearly demolished, causing the instant death of two persons, fatally wounding a third, and bruising a number of others, one of them seriously. On the 17th February, a locomotive on the New York and Erie Railway exploded at Binghampton, killed one fireman and seriously injured an engineer and another fireman. A large amount of damage was also done to the adjacent property by the explosion. On the 24th February, a serious accident occurred on the Long Island Railway, between Lakeland and Islip. A passenger car plunged down an embankment, rolling over two or three times. It was filled with passengers, nearly all of whom were considerably injured, many of them having limbs broken. Many of the passengers of the other cars also received injuries. The attachees of the line attribute the accident to a broken axle, but the passengers believe it to have been occasioned *by the bad condition of the road*. On the 16th February, eleven persons were killed and a number badly injured on the St. Louis and Chicago Railway, through an accident caused *by a defective rail*. On the 17th February, two freight trains on the Chicago and New Albany Railway collided, instantly killing one man, and completely smashing both locomotives. One of the

engineers had gone to sleep with a bottle of liquor beside him, leaving the valves of his engine open. On the 20th February, *a defective rail* gave way on the Ohio Central Railway, and a train was dragged some distance over the cross-ties, by which several passengers were injured. On the 21st February, there was a collision on the Pennsylvania and Erie Railway. Result, the death of two persons; one of whom was burned in a most horrible manner, and the injuring of many others. On the same day, the engine and a train on the Springfield and Albany Railway was thrown from the track *by a defective rail.* Casualities not reported. On the 23d February, a collision occurred on the New York Central Railway, by which five or six passengers were badly injured. On the 24th February, two persons were killed and seventeen badly wounded by an accident on the Pennsylvania Central Railway. Particulars not reported. On the same day, the passenger train from New York to Boston met with an accident, caused by the breaking of an axle. Particulars not reported. On the 22d February, a collision occurred on the Pittsburgh, Fort Wayne, and Chicago Railway, forty miles west of Crestline, by which one passenger was killed and several others injured. On the 23d February, an accident, caused *by a defective rail,* occurred near Petersburg, on the Grand Trunk Railway of Canada, by which one passenger was fatally and many others seriously injured. Two passenger cars were thrown down an embankment fifty feet high, one of them making three revolutions before reaching the bottom. The wounded passengers were then plundered by a gang of thieves. On the 7th March, a collision occurred on the Camden and Amboy Railway. While the express train from Washington for New York was passing through Bristol, Pa., it ran into the rear of a passenger train from Philadelphia for New York ,which, it is stated, *was about two hours behind time, and had no rear lights out to enable the engineer of the Washington train to perceive it.* The shock was terrific, and the results appalling. Many of the passengers were scalded, some thrown out of the cars, and others crushed to death, or mutilated in a horrible manner. Nine persons were instantly killed, and over forty wounded—at least three of them fatally. Portions of both trains were smashed to atoms, and the wreck was so extensive as to completely block up the track for several hours. One of the cars also caught fire, thus adding to the peril and terror of the unhappy passengers. On the 10th March, the express train on the Ohio and Mississippi Railway was thrown off a tressle bridge four miles west of Vincennes, and the express, baggage, and second class cars, precipitated to the earth. A number of persons were injured. No particulars reported. On the 23d March, the express train on the New York Central Railway ran off the track eight miles west of Utica. Five passenger cars were piled in a heap in water from three to five feet deep. Two persons were killed outright, and thirty persons badly injured.

All these accidents, and perhaps many more which, in these busy times, fail to find their way into print, occurred within a period of fifty days.

The occurrence of so many accidents at this time, after so much has been said and done in former years on the subject, naturally leads to an investigation of their cause, with a view to suggest safeguards against their happening again.

Although the question of railway accidents involves the whole question of railway management in detail, yet as that question of management is itself included within the bounds of a single principle, we shall find no difficulty in placing our finger at the proper time upon the source of all the blunders with which the history of railways is so plentifully filled.

In England, where the subject has received far more attention than in this country, it has been a favorite principle with some people to attribute railway accidents mainly to excessive speed. Lord Brougham and Lord George Bentinck have especially identified themselves with this proposition. These gentlemen maintain that high speed is manifestly the cause of nearly all railway accidents. High speed should therefore be put a stop to, and Parliament should enact laws compelling companies to run their trains below a certain maximum velocity. Until the celebrated report of 1858 their arguments met with but little effectual opposition, but

in that report the committee consisting of Messrs. Bentinck, Lowe, Crossley, Wm. Hodgson, Blackburn, Lord A. V. Tempest, Messrs. Hume, F. Scott, Kendall, Lord A. Paget, and Mr. Jackson, after having treated the whole question exhaustively, came to the conclusion that legislative interference would do more harm than good, and that Parliament, with more chance of success, might better confine its action in the matter to a more rigid enforcement of that contract which railway companies virtually make with the public in regard to the time of departure and arrival of trains. Want of punctuality they regarded as one of the chief causes of accidents. Trains depart behind time, and then run at double speed to make up for the time so lost, and thus not only disarrange the preconcerted running of other trains, but increase the amount of destruction in case of collision. They also recommended that time tables should be advertised to the public some time in advance of their going into effect; that a signal rope should be used and a telegraph line connected with the road. Any further than this they did not feel warranted in going. The whole question of detail, including speed, etc., they justly considered to be a matter wholly beyond their jurisdiction.* Yet, even after the publication of this report, the Anti-High-Speedites continued to iterate their demands for more legislation until the celebrated debate of 1863, when they were finally put down by Earls Granville and Hardwicke, and by Messrs. Milner Gibson, and Richard Hodgson. These gentlemen proved beyond cavil that the fastest trains and the fastest roads were not those upon which the greatest number of accidents occurred, but, on the contrary, it was upon those that the fewest occurred. And singular to say, Mr. Hodgson also showed that the popular notion that accidents occurred more frequently at curves was totally erroneous, the truth being that they more often happened upon sections of the road where the line was perfectly straight.†

Many people in this country are apt to believe railway accidents in England to be of such rare occurrence that arguments drawn from the railway experience of that country must be more or less defective; but this is by no means the case. Besides the many who were injured by railway accidents through their own carelessness, and besides those who were employees of railways, there were killed and injured as follows:

PASSENGERS KILLED AND INJURED IN ENGLAND BY RAILWAY ACCIDENTS DURING THE YEARS 1857, 1858, 1859, 1860, 1861, 1862, AND PART OF 1863, FROM CAUSES BEYOND THEIR OWN CONTROL.‡

1857.....	776	1861.....	827
1858.....	445	1862.....	560
1859.....	384	1863 (first six months).....	169
1860.....	509		

This makes a grand total of 3,670 *passengers* killed and injured. The total number of railway passengers during the period of six and a-half years, covered by this table, was about one thousand millions. The num-

* See Report of Committees. Parliamentary Reports, vol. xix, 1857–58.

† Hansards' Debates, vol. clxxii., p. 599.

‡ London *Times*, September 18, 1862, and Board of Trade Reports for the various years.

ber of passengers killed and injured was therefore one in 272,479. Doubtless the mortality and injury in this country is greater; but we have no means of definitely ascertaining the fact. There are no statistics. In England the Board of Trade takes cognizance of all railway accidents, and sends an officer to the scene of every one of them. This officer makes a report which embraces the names and numbers of the injured, and a critical account of the disaster. Here we have nothing of the kind. The establishment of companies to insure against accidents of this nature, two of which have recently been organized in this country, will, however, doubtless furnish us through the medium of private enterprise with that which in England is afforded by official reports. We refer to the Traveller's Insurance Company of Hartford, and the United States Life and Limb Insurance Company of New York.

But it must be borne in mind that though we have single tracks where they have double ones, though we have open crossings where they have bridges or tunnels, and tressil work as substitutes for their magnificent viaducts, yet that we have much less way travel, that we employ cars in which passengers can go from one end to another while the train is in motion, and that we use the telegraph more often: finally, that we possess that invaluable treasure—the check rope. The want of a check rope might have prevented one-half of the accidents on English railways. We read of one accident from the rear cars breaking their coupling and running down the train in front which had slowed up to wait for them. This occurred on the Caledonian Railway in 1862, and twenty-six passengers were injured by it. Then we read of accidents from employing single lines of rail while portions of the double track were undergoing repair: on the Edinburgh and Glasgow and the Lancashire and Yorkshire Railway. Then we read of accidents from turnpike gates being swung across a track*—from employing inexperienced drivers†—from using defective breaks†—from boiler explosions‡—from overhanging timbers‖—from bad roads§—from collisions—from falling in of tunnels—from animals on the track—from excursion trains being run at low rates for advertising purposes, and so being overcrowded, and generally behind time—from defective gearing—from the wheel tyres being bolted instead of dove-tailed—from having the break whistle too shrill to be heard by the guard above the noise of the train—from the difficulty of distinguishing the signal to "down breaks," from the warning signal —indeed from almost every cause it is possible to conceive of.

Many of these accidents might have been prevented by the use of the check rope, which has been in use in this country for so many years, but which has not yet been adopted in England. It certainly appears quite incomprehensible in a country of so much general intelligence and utilarianism as England, that this simple expedient should not be in use, for without it, it is simply impossible for any person on a train of cars in motion to communicate with the engineer in case of accident. Nearly all

* Dublin and Drogheda Railroad, 1862.

† Great Northern Railroad, 1862.

‡ Great Western Railroad, 1862.

‖ London, Brighton, and South Coast Railroad, 1862.

§ London, Chatham, and Dover Railroad, 1862.

the loss of life which arises from the breaking of car couplings, from the breaking of axles or other running gear, and from fire, is capable of being avoided by leaving in the hands of the passengers the means of immediately notifying the engineer of the accident.

Strange as it may seem two-thirds of the English accidents appear to have been from collisions,* while the remainder were owing to trains running off the track. Of the collisions five-sixths were between a passenger and a freight train, and one-sixth between two freight trains. Not over one accident in twenty is attributed in any way to high speed, but to imperfections in the permanent way. And the very few accidents attributed to excessive speed might all have been prevented had the running gear and the permanent way been perfect.

This brings us to the main cause of the railway accidents in this country—defects in the permanent way; for, though railway trains, in the matter of running gear, inattentive servants, etc., are probably far from being as dangerous to travelers as stage coaches used to be, yet it is doubtless true that to their peculiar roadway (compelling their carriages to travel over one or one of two lines of rails) is owing most of the deplorable accidents which distinguish this method of locomotion. The greatest *number of accidents* is due to the carelessness of persons working on the tracks, etc.,† but of those accidents which involve the *greatest number of deaths and injuries*, we must look to the main cause in the defects of the permanent way—defects in the road-bed, the rails, the bridges, culverts, tressil work, etc., etc.‡

During the past two years the mortality from accidents of this nature

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* Board of Trade Report, 1857.

† The number of persons injured in life or limb, the cause of the injury, whether passengers, persons employed, or others, and whether the persons reported as injured, survived or died, on the—

NEW YORK CENTRAL RAILROAD, 1864.

Causes of the Injury.	Passengers.		Employees.		Others.		Total.	
	Kil'd.	Injr'd.	Kil'd.	Injr'd.	Kil'd.	Injr'd.	Kil'd.	Injr'd.
Fell from the cars	2	.	3	.	.	.	5	.
Jumping on or off the trains or engines while in motion	1	2	2	2	3	1	6	5
Walking, standing, lying, sitting, or being upon the track	.	.	9	.	39	17	48	17
At work on or near the track, or in making up or detaching trains	.	.	5	2	.	.	5	2
Trains thrown from or running off the track	.	5	1	.	.	.	1	5
Striking bridges, or telegraph wire	.	1	2	2	.	.	2	3
Explosion of engine	1	20	2	1	.	.	3	21
Total	4	28	24	7	42	18	70	53

‡ Railway men of course think differently. They put all the blame on their employees, or upon "frosty rails," the latter being a favorite theory with them. In order to turn public attention from the bad condition of their roads to the alleged carelessness of their servants, they have recently procured a law to be passed by the Legislature of Pennsylvania, making the employees criminally responsible for all accidents clearly traceable to their neglect. This is well, as far as it goes, but we opine that it will not be productive of much practical reform.

has been frightful. In this State alone 347 persons in 1863, and 450 persons in 1864 were killed or injured by railway accidents. These accidents were in nearly every case traceable to the bad condition of the roads.

But why have the managers of the roads not found it to their *interest* to keep them in good order? If the sacrifice of human life occasioned by these accidents does not appeal to their sympathy, why does not the immense damage to their rolling stock, which attends every serious accident, arrest their attention, and force them at least from interested motives to adopt proper precautions? Here we come upon the gist of the whole question, at least so far as regards this country.

Much as it may surprise the general reader, it is but the simple truth to state that railways, unlike almost any other species of investment, are not made to pay. It will be remembered that we now speak exclusively in regard to this country. They are never commenced on a paying basis, and rarely ever become in a paying condition. They start with an insufficient capital, and buy their supplies on credit, paying in bonds extortionate prices for them to the contractor. When a portion of the road is finished, and things come to a stand-still for want of funds, the contractor is induced to go on with the work by the promise of $5,000 additional per mile, and the issue of bonds based upon the expected income. After a struggle the rails are all laid, a light stock of equipment is furnished, but the company is unable to save anything from the earnings, because the road is indifferently stocked and badly ballasted. The first year finds it with just money enough from traffic to pay running expenses, but saddled with a large floating debt, created by being short of means at the start, and subsequently promising to pay nearly double for everything bought on a credit, instead of purchased for cash.*

The road is then conducted wholly in the interest of the proprietors of the lands through which it passes, and wholly opposed to the interests of the stockholders. Passengers are carried at ruinously low rates of fare, and freight transported for a mere nothing.

But why does the public purchase railway stock if such is the usual course of management? Because the stockholders (at least originally) are also the property-holders; and their interest as stockholders is much inferior to their interest as property-holders. Yet they do not neglect even their interest as stockholders. Dividends wholly unwarranted by the condition of the road are declared every half year, and the public is left to shift for itself in ricketty cars drawn by defective locomotives over perilous roads; left to shift for itself without attendance, without proper heat in winter or ventilation in summer, without proper conveniences for traveling, without proper stations, without proper refreshments, and at the mercy of a few over-worked and insolent officials. Is it any wonder that accidents happen?

How is a railway gotten up? A few landed proprietors, in some out of the way locality, meet together and propose a railway which shall strike through the heart of their rustic regions. Mind, the wants of the public do not demand this railway. If they did, somebody would find it to his interest to build it at once, and pay for it, sure of realising immediate profits in that plentiful patronage which would soon be bestowed upon it.

* Strow's Railway Manual, 1859, p. 10.

No; only the interests of these Ten-cents-an-acre land-owners demand the road. Well, they have no money. They scratch their heads and talk and talk, and finally the men whose lands are to be mostly benefitted are required to raise a cash subscription. If they do this, well; if not, the projected road is diverted towards another direction in order that it may strike through the lands of those men who *can* raise the cash. These men all become stockholders. The road is built in the manner we have described, and their cheap lands rise in value till they become worth thousands of dollars per acre. The stock may fall in the market until it becomes almost worthless, accidents may happen continuously, the road may be bankrupted, the cars smashed to pieces by hourly collisions, and shall we find the stockholders plunged into grief by their misfortunes? Not at all. We shall find them in the best of humor, their hands in their pockets, a smile upon their faces, and an offer upon their lips to sell us their once worthless farms, at a smart price, for building lots.

Here, then, we come at the source of railway accidents in the United States. The roads are built for the land-owners; built before they are needed; built in advance of any demand for them; built in debt through the needs of their projectors, and kept in debt through their rapacity.

This latter point is one which we have not yet dwelt upon with sufficient emphasis. Suppose a railway was owned by a single individual, who went into the business for the sake of profit. Suppose his road had cost him when he opened it in 1851 $24,000,000. Suppose that in 1864 its capital account, capitalizing its leased roads, was equal to $48,000,000. Suppose that $20,000,000 of net earnings had been applied to construction, making the total cost of the road $68,000,000. Suppose it earned in 1852 $3,537,766, and in 1864 $13,346,457. Suppose that it had a very large and unmanageable floating debt, and its shares were but lately sold at 45. What would be thought of this individual if with this condition of affairs he was known to appropriate $1,832,623, or nearly 14 per cent of the entire receipts towards some other project, and charge the same to "dividend account?"

And yet this is precisely the condition of one of the leading roads in the country. But the other companies act in noways differently. They may be in a better condition, financially, but they all practice the bad principle of setting aside a large portion of their earnings for dividends, while the condition of the road, as shown by the frequency of railway accidents, loudly calls for immediate repairs.

But it is useless to compile statistics to demonstrate this point. All the railways devote too much of their earnings to dividends, and too little to construction. They say: "Why shall we conduct the business of a road for the sake of posterity? Why shall we not reap profits from it as we go along? Why devote our time to the promotion of an enterprise from which only a distant generation shall reap substantial benefits?" Ah, gentlemen, we are afraid you are forgetting the profits you have already made, and are exhibiting a little of that quality to which some plain-spoken people apply the name of rapacity. Where are your lands rendered ten, twenty, fifty-fold more valuable by this road? Answer! Is this not enough profit for you? Are you not content with using the slave till he drops, but must sell his body, hair, skin, and bones, to "reap your profit as you go along?"

If American railways were built to supply the wants of the traveling public, instead of in advance of them, if they were built for the stockholders instead of for the property-holders, if they were overflowing with wealth instead of being heavily in debt, we could even then see no reason why their rates of fare should be limited by law, because whenever their profits became very large an inducement would exist for the establishment of competing lines, and these would soon reduce their tariffs. But that such restrictions should exist when all these conditions are reversed is only an evidence of that madness after inter-meddling legislation which is the bane of all our public enterprises. What is the practical result of this tampering with affairs of commerce and traffic. The New York Central is restricted by the Legislature to two cents a mile for passengers. Its published reports shows that this is its average rate of fare even counting way passengers, for it carries emigrants at one cent. Last year its iron rails cost $22 per ton for re-rolling, its wood cost $2 25 per cord, its car wheels $16. This year the first costs $52, the second $6, and the third $25. Lumber, hardware, paint, labor, machinery, all these items are doubled in price. The law does not keep its expenses down, but the law keeps its receipts down.

Without inquiring into the motives which impel legislators to countenance this injustice, we merely state the fact.

How then can it be asked to carry passengers at a limited rate? It will carry them. Oh, yes! Restrict the price of razors to ten cents each, and razors will continue to be sold still. But what kind of razors? And what kind of traveling do we get for two cents a mile? The answer is self-evident. But the evil does not stop here. Because the Central is required to carry first-class passengers at two cents a mile, the Erie is obliged to do the same. The obvious consequences of this absurd inter-meddling is bad roads, bad engines, bad cars, in short, all the conditions which are highly favorable to the frequent occurrence of appalling accidents and loss of life.

When our legislators are possessed of intelligence enough to trace the obvious cause and effect between a non-paying road and frequent accidents, and do not follow the example of British legislators by totally abstaining from placing legal restraints upon their management, the name which we shall give to these deplorable occurrences will, instead of Railway Accidents, be the more deserved one of Railway Murders.

COAL FEVER.

THE PRICE AND PROSPECTS OF ANTHRACITE COAL.

BY C. B. CONANT.

WHY is coal so high? A question that has been asked a few thousand times every month for the last three years, and which, answered or unanswered, has wrought widely and diversely on the public mind. Whenever a great staple, nearly related to the daily wants of mankind, is advanced in price, an excitement prevails proportioned to its advance.

All classes are its consumers, and the consequence of the excitement is, that communities are soon arrayed into two factions—the first in clamor, and the numerically superior, being the poorer, whose only interest is to bring the price down; and the other, less numerous, but more powerful, who are not slow to see that their profit lies in keeping it up. The latter use the enhanced article as much as the former, usually more; but the added cost in their consumption is as nothing compared to the gain which accrues, or may accrue, to them, directly or indirectly, as producers or dealers. In almost all such cases the popular clamor increases the evil of which it so loudly complains; which, if let alone, would usually soon be equalized by the operation of the laws of trade. It is the interest of capitalists to encourage this unreasoning outcry, because they take advantage of it. Capital has no bowels or patriotism, and capitalists are instinctive.

The usual degree of prejudice and ignorance has prevailed on the subject of the coal trade in this respect. Coal has advanced, to the consumer, nearly two hundred per centum within three years—in 1862, about fifty per cent.; in 1863, seventy-five per cent.; in 1864, seventy-five more—at about which figure it remains, at the time of writing this article—March 1, 1865. In the same period, flour has barely doubled. There are good reasons why the two articles cannot be judged by precisely the same standard. Flour is so much more a staple of life than coal that it has no substitute, and its production must engage a thousand hands where the other occupies one. If the coal fields had as many tillers, as many conveyers, and as many merchants as the wheat fields, the disproportion in price would be much more than reversed, and coal would go begging; while if the wheat fields had as few as the other, a loaf of white bread would be worth, to-day, a dollar. In the next place, this very importance of bread-stuffs, involving the employment of so many hands, makes the trade transparent, and uncontrollable by monopolists. Men can know what is going on in grain, without serious chance of mistake. It is a glut in the market, it is foreign export, it is specific demand for emigration or the army, it is drought, it is weevil, it is failure of transportation, it is the holding of the farmers, it is the scarcity of exchange. There are a hundred causes of the rise or fall of breadstuffs, which are patent to all who choose to make inquiry. The staple character of this branch of trade, too—its absolute certainty as to sale and consumption—tempts the investments of that large class of conservative capitalists, which always stands ready to use heavy sums of money on perfect security for small returns. This, with the fact that comparatively little machinery is needed—warehouses, wharfs and boats only, which are, besides, continuously and variously useful—this makes the handling of crops comparatively easy. Money can be had by millions at simple interest from private capitalists; banks will do this business in preference to all other—many, indeed, being founded for this exclusive purpose, and refusing any different trade; and the attempt of any individual or corporation to monopolize it, is only saved from infamy by its ridiculousness and impossibility. Every merchant knows that it is an axiom in business, that the nearer an article of trade is to the daily and indispensable wants of men, and the more perishable or consumable it is, the more difficult to limit it—consequently to make it a means of large profit. Competition keeps prices down.

The coal trade is a different matter. The entire number of master colliers in this country, east of the Alleghany mountains, may be estimated at about two hundred and forty—in which are included the four great corporations, the Lehigh, Delaware and Hudson, Pennsylvania, and Scranton companies—with forty or fifty other incorporated organizations. Of these, about two hundred and fifteen are at work in the Anthracite fields of Pennsylvania, and about twenty-five in the Bituminous regions of that State and Maryland. There is no record of coal operations in the great Bituminous area west of the Alleghanies—an important omission in our statistics that ought to be remedied—so that both the number of miners and quantity of products must be estimated. The coal in this region is usually mined by individuals, and may be estimated at about one million to one million and a-half tons. The total quantity of all kinds of coal mined in the year 1864 was about twelve and a-half million tons, of which ten million (in round numbers) came from Pennsylvania alone. We will give, a little farther on, more exact and very interesting statistics.

For our present purpose, we discard the limited and uncertain product of the Western country—little of which comes farther east than Buffalo, except what is sold in Canada—and confine our attention to the product of the Pennsylvania, Maryland and Virginia mines. It will be seen at a glance how limited (comparatively) the field of operations is, what opportunities exist for monopoly, and how difficult it may be for those who are outside the trade to know exactly what is going on within. These peculiarities are still more apparent, when we consider the means of transportation. This is entirely in the hands of seven, and, virtually, of five corporations—the Lehigh Coal and Navigation Company, the New Jersey Central Railroad, the Reading Railroad, the Delaware and Hudson Canal Company, and the Delaware and Lackawanna Railroad. The Lehigh and New Jersey Central are fed by numerous lateral roads, which they control, inasmuch as their avenues are the main outlets of the regions from which they lead. The Reading Railroad is the great monopolist of the Schuylkill trade, which, down to 1858, comprised one-half, and, in 1864, more than one-third of the whole quantity of Anthracite mined in Pennsylvania. True, the Schuylkill Navigation Company, which does about one-quarter of the carrying, stands as a separate organization; but the ownership of the two is interpenetrated, and they always work together, to a fraction—the latter constantly following the lead of the former. In the Lackawanna region, the Pennsylvania Company, which is the mighty and popular rival of the Delaware and Hudson, is still dependent upon the former for the canal conveyance by which about half its coal reaches market. A law-suit for a difference in tolls that amounts to a million or more, between these two companies, has been decided, though not in the highest court, in favor of the Delaware; and the state of feeling is such that the Pennsylvania will undoubtedly tend, as rapidly as possible, to become independent. As it is, this company transports a considerable quantity of coal over its railroads to Newburgh, and to New York and Jersey City, by connection with the Erie Railroad at Lackawaxen—probably about 300,000 tons during the past year. We have, then:

The Lehigh Coal and Navigation Company, with its branches.
The New Jersey Central Railroad and its laterals.

The Reading Railroad and the Schuylkill Canal, acting as a unit.
The Delaware and Hudson Canal Company, and the Pennsylvania Coal Co..—the latter partially dependent upon the former, but recalcitrant.
The Delaware and Lackawanna Railroad, or Scranton Co., which are the same.
In all, *five* great avenues of transit.

Between special privileges and the difficulties which exist in the way of the creation of collateral lines, these five or six avenues control the trade. There is undoubtedly some ground for the complaint of monopoly; but not so much as there will be, if the designs of certain very powerful parties are carried out. There is a scheme to unite the interests of the Reading Road and Schuylkill Canal, with those of the Scranton Company. This latter concern is controlled by men of much capital and enterprize. They have introduced a feature into the coal trade, which, while it has worked like a charm for their interests, is viewed with much apprehension by all the "middle-men"—those who stand between the miners and dealers, constituting a rich and powerful class—and bids fair to exert a controlling influence upon the coal trade of the country. This feature, which originated in the strong executive mind of the late President of the Scranton Company, CHRISTOPHER R. ROBERT, Esq., is the plan of selling all the probable surplus of the company, monthly, at auction. It was commenced in February, 1863, and has been continued regularly since, with an aggregate sale of nearly 300,000 tons per annum, or about one-third the product of the company brought to tide-water. To the Company, the advantages of this plan are obvious. The sale is, substantially, for cash; and the quantity being about 25,000 tons, places, at the average price of the year, $200,000 in the hands of the company every month, in advance of shipments. Besides this, it is clear that the certain "placing" of one-third the product of a mining corporation, monthly, in advance of production, is a remarkably safe basis of procedure; for in case of the failure of other regular and calculable outlets of sale, it would not usually be difficult to curtail the scale of operations sufficiently to avoid serious loss. *All* contracts made by mining corporations are made subject to their ability to fulfil them—a somewhat peculiar feature of this trade, to which the Scranton auction sales are no exception. If the company is unable to furnish the coal sold, by reason of accidents, floods, strikes, or other unavoidable causes, it returns the money to purchasers, and annuls its contracts. On the other hand, whatever may be the state of the market, the buyer, having put up his money, has to send for his coal, or lose his advance. He is limited to the current month. The Scranton sale has become, as was inevitable, the thermometer of the coal trade. Transactions are virtually suspended, except those proceeding on regular contracts, for the week before the sale, and the result is instantly telegraphed to all parts of the country. There is considerable reason for believing that this method of sale will become general, within a few years—a result which the middle-men and small miners deprecate exceedingly. It is difficult, however, to see what substantial harm would be done, beyond the temporary disturbance of the trade of these parties. Indeed, it is not improbable that the consumer, whose interest, after all, is the main thing, would be eventually benefitted, for nothing can be fairer than the auction

sale, or more exclusive of monopoly. *Nothing*, of course, can entirely neutralize the advantages of capital, which is as it should be; for capital as well as labor has its privileges, is entitled to protection, and operates as a balance in society and civil government. If all the coal was sold at auction, the capitalist would have the same advantage, in kind, that he now possesses, and would undoubtedly exercise it, by accumulating quantities of the staple, when prices ruled low. So the vocation of the middlemen would only be modified, and they would continue, though perhaps in less numbers, to divide the profit with the great mining corporations.

While, however, the limited number of coal carriers and prominent operators tends measurably to monopoly, and to keep the secret of their movements from the ken of outsiders, it is absurd to suppose that a business amounting, at the ante-war figures, to nearly eight billion dollars, and carried on by some two hundred and forty firms and companies, is beyond the power of the laws of trade. There may be temporary influences of an accidental or subsidiary character, of which capitalists or corporations can avail themselves; but it is certain that, in the main, the coal trade must be governed, and is governed, by the great law of supply and demand. Let us look into this subject, somewhat narrowly, and see if we can discover, in a rational way, an answer to the question at the beginning of this article. First, although not in all its details essentially preliminary to this inquiry, yet because of general interest in the elucidation of the subject, let us glance at the history and statistics of the coal trade in this country from its beginning.

The first Anthracite brought to market was in the year 1813, when a small quantity of flinty coal was shipped down the Lehigh River in arks, by the firm of Miner, Cist & Robinson. Five arks were dispatched, but only two reached Philadelphia, the appearance of which excited about as much astonishment as that of Noah would have done. The other three were lost on the passage, and the only wonder to any one acquainted with the Lehigh River, before its improvement, is, that any craft was ever gotten safely over its rocky, roaring bed. This stream is subject, too, to sudden and incalculable freshets—insomuch that with all the substantial dams, locks, breakwaters and other improvements and defences of the present company, the last great flood, in June, 1862, cost a million dollars to repair, and the upper section, which was worst damaged, was abandoned altogether. These little ark-loads of coal were sold at Philadelphia for twenty-one dollars a ton, but the owners lost money and abandoned the business. It may be of interest to state that the first Lehigh Coal Company, and the first (it is believed) formed in this country, was organized in the year 1793. This company "took up" from the Commonwealth of Pennsylvania, under warrants, about ten thousand acres of land, being, with the addition of about two thousand more, the very same tract now owned and worked by the "Lehigh Coal and Navigation Company." This original company appropriated *ten pounds currency* (!) to the construction of a road over the property; but the stockholders, wearying of such expensive assessments, gave up the job, and the lands lay idle till —after one or two leases in turn abandoned—the ark-builders before named took the matter in hand. In 1817, Josiah White and Erskine Hazard entered upon the field, taking of the original company a twenty year's lease, for the annual rent of one ear of corn, payable on demand,

and with the farther condition, that after a suitable time spent in preparation, they should deliver at Philadelphia, for their own benefit, not less than forty thousand bushels of coal, yearly. To the enterprize and ingenuity of these gentlemen, the establishment of the present company is due. A doubt existing in the minds of many that the coal was of any value, two associations were first formed—the "Lehigh Coal Company," and the "Lehigh Navigation Company," with $55,000, and $50,000 capital, respectively. These united their interests and names in 1820, when, after great faith, perseverance and ingenuity, the first regular shipments of coal began, with a product, for that year, of 365 tons. Its substance was found to be very different from the English bituminous coals —the only kinds known—and, of course, an entirely new method was needed, with new forms of stoves and grates. It was opposed and ridiculed roundly, as all innovations upon established trade and usage are, but experiments were made, with results so successful, that 1023 tons were brought down in the same way, the following year, and found a market at about fifteen dollars a ton. At this time, the fuel of the country was almost exclusively wood—Liverpool coal being considered a luxury of doubtful utility. The people did not understand coal, and did not like it. The entire importation of foreign coal (bituminous) in the year 1821 was only 22,122 tons, and it did not reach 100,000 tons until 1836, falling in 1844, from peculiar circumstances, to about 7,000 tons.

At about the same time, the Schuylkill coal began to excite attention, and the canal was projected and energetically prosecuted. A few specimens were brought down, and found to be of the same general character with the Lehigh, but no trade was opened until 1822, when 1480 tons came through—the Lehigh Company bringing, the same year, 2240 tons. In 1828, the Schuylkill began to exceed its rival in quantity, and has ever since maintained a large excess of production. The Schuylkill region yielded in 1864, 3,642,218 tons—the Lehigh, 1,928,706 tons.

The Delaware and Hudson Canal Company commenced operations in 1829, with a product of 7000 tons, rising the next year to 43,000. This company was followed, after some lesser intermediate operations, by the Pennsylvania Company, which began to work in the same general field in 1850, with a product of 111,014 tons. The Scranton Company followed in 1856, beginning with 122,773 tons. The product of these companies in 1864 was, respectively, 852,130 tons, 759,544 tons, and 963,728 tons. The Shamokin region began to be worked in 1839, but its operations are comparatively inconsiderable, beginning with 11,930 tons, only reaching 100,000 in 1855, and 333,478 in 1864. It is somewhat remarkable that our bituminous coals attracted little attention, east of the Alleghanies, until 1842, when the Cumberland Company commenced operations on a very small scale. The increase was comparatively slow on this kind of coal, though the aggregate product of the various companies, in the year 1864, was 1,238,524 tons. To place the entire trade of the country, with the exception of the uncertain product of the States west of the mountains, before the eye, the following condensed table is presented :

PRODUCTION OF COAL IN THE UNITED STATES

From 1820 *to* 1864.

	Lehigh. Canal & R.R.	Schuylkill. Canal & R.R.	Lackawana and Wyoming. Del.&Hud.	Penn. Co.	Scranton, N. & S.	Other Wyoming.	Shamokin.	Total.	Bituminous. Domestic.	Bituminous. Imported.	Total.
1820,.....	365	....	....	....	....	....	....	365	....	....	....
1821,.....	1,073	....	....	....	....	....	....	1,073	....	22,122	22,122
1822,.....	2,240	1,480	....	....	....	....	....	3,720	....	34,523	34,523
1823,.....	5,823	1,128	....	....	....	....	....	6,951	....	30,433	30,433
1824,..... ..	9,541	1,567	....	....	....	....	....	11,108	....	7,228	7,228
1825,.....	28,293	6,500	....	....	....	....	....	34,893	....	25,645	25,645
1826,.....	31,280	16,767	....	....	....	....	....	48,047	....	35,665	35,665
1827,.....	32,074	31,360	....	....	..	....	....	63,434	....	40,257	40,257
1828,.....	30,232	47,284	...	....	....	....	....	77,516	....	32,302	32,302
1829,.....	25,140	79,973	7,000	....	....	....	....	112,113	....	45,393	45,393
1830,.....	41,750	89,984	43,000	....	....	....	....	174,734	....	58,136	58,136
1831,.....	40,966	81,854	54,000	....	....	....	....	176,820	....	36,509	36,509
1832,.....	70,000	209,271	84,600	....	....	....	....	363,871	....	72,978	72,978
1833,.....	128,000	252,991	111,777	....	....	....	....	487,748	....	92,432	92,432
1834, ...	106,244	226,692	43,700	....	....	....	....	376,636	....	71,626	71,626
1835,.....	131,250	339,508	90,000	....	....	....	...	560,758	....	49,969	49,969
1836, ...	148,211	432,045	103,861	....	....	....	....	684,117	...	108,432	108,432
1837,.....	228,902	523,152	115,387	....	....	....	....	862,441	....	153,450	153,450
1838,.....	213,615	433,875	78,207	....	....	....	....	725,697	....	129,083	129,083
1839,.....	221,025	442,608	122,800	....	....	....	11,930	797,863	....	181,551	181,551
1840,.....	225,318	452,291	148,470	...	....	....	15,505	841,584	....	162,867	162,867
1841,.....	143,037	585,542	192,270	....	....	....	21,463	942,312	....	155,394	155,394
1842,.....	272,546	541,504	205,253	....	....	47,346	10,000	1,076,649	1,708	141,521	143,229
1843,.....	267,793	677,312	227,605	....	....	58,400	10,000	1,241,110	10,082	41,163	51,245
1844,.....	377,002	840,378	251,005	....	....	114,906	13,087	1,596,378	14,890	87,073	101,963
1845,.....	429,453	1,088,796	273,435	....	....	178,401	10,000	1,975,085	24,653	85 776	110,429

1846,.....	517,116	1,236,582	320,000	....	....	198,389	12,572	2,284,659	29,795	156,853	186,648
1847,.....	633,507	1,583,374	388,203	....	....	294,864	14,904	2,914,852	52,940	148,021	200,961
1848,.....	670,321	1,652,835	437,500	....	....	247,696	19,356	3,027,708	79,571	196,168	275,739
1849,.....	781,656	1,605,126	454,240	....	....	278,670	19,650	3,139,342	167,774	198,213	365,987
1850,.....	690,456	1,712,007	441,403	111,014	....	275,406	19,921	3,250,207	234,611	180,439	415,050
1851,.....	964,224	2,229,426	479,078	316,017	....	361,072	24,899	4,374,716	331,879	214,774	546,653
1852,.....	1,072,136	2,450,950	497,105	426,164	....	361,231	25,846	4,833,432	426,674	183,015	609,689
1853,.....	1,054,309	2,470,943	494,327	512,658	....	468,746	15,500	5,016,484	631,987	231,508	863,495
1854,.....	1,207,186	2,895,208	440,944	496,648	133,965	531,921	63,500	5,769,372	830,181	252,865	1,083,046
1855,.....	1,284,113	3,318,555	565,460	504,803	187,000	514,248	116,117	6,490,296	780,493	287,408	1,067,901
1856,.....	1,351,970	3,258,356	499,650	612,500	305,530	554,901	137,406	6,720,313	924,488	173,055	1,097,543
1857,.....	1,318,541	2,985,541	480,699	536,008	490,023	445,873	155,806	6,412,491	893,749	288,192	1,181,941
1858,.....	1,380,030	2,866,449	348,789	630,056	683,411	416,074	135,893	6,460,702	989,695	259,885	1,249,580
1859,.....	1,628,311	3,004,953	591,000	688,854	829,435	524,947	180,753	7,448,253	1,119,951	281,208	1,401,159
1860,.....	1,821,674	3,270,516	499,568	701,523	1,080,227	535,583	210,108	8,119,199	1,244,820	240,697	1,485,517
1861,.....	1,738,377	2,697,489	726,644	629,657	1,104,319	740,730	241,451	7,878,667	831,412	533,115	1,364,527
1862,.....	1,351,054	2,890,578	637,066	601,091	1,094,315	585,969	241,642	7,401,715	813,754	545,433	1,359,187
1863,.....	1,894,713	3,433,265	828,150	662,904	1,223,165	662,721	274,936	8,979,854	1,166,210	1,000,775	2,166,985
1864,.....	1,928,706	3,642,218	852,130	759,544	1,302,457	639,456	333,478	*9,457,989	1,238,524	510,608	1,749,122

* This sum is short of the actual production, about 500,000 tons. There are various miscellaneous items that are not easily classified, nor exactly attainable. Mr. BANNAN, the careful editor of the *Miners' Journal*, published at Pottsville, who is the only regular and systematic tabulator of the coal trade, makes the total, for 1864, 9,992,007 tons. But Mr. BANNAN does not attempt even to estimate the Bituminous product of the coal-fields west of the Alleghanies—fields vastly greater in area than those of Pennsylvania, Maryland and Eastern Virginia, and which, in the course of time, will perhaps supersede these entirely. For the Anthracite is limited, as far as known, to the Pennsylvania fields, and is by no means inexhaustible. Every known variety of Bituminous coal is found beyond the Alleghanies, from the common, blacksmith's coal of Pittsburgh, to the rich steam coal, hitherto only brought from Wales, the blocky gas coal like that of Nova Scotia, and the fatty Cannel like the Meehall. The West Virginia Cannels, only brought to this market in specimens, though shaped differently from the English, are quite as dense and inflammable.

We have thus before us the statistics of the *three great* Anthracite coal fields, and it is important to understand that each is in competition with the others, and each divided by competition in itself. This competition extends, with the single exception of the Schuylkill, not only to the mining but the transportation of coal. As before stated, the Schuylkill transporting interests are substantially in the same hands; and it is a remarkable example of the equalizing tendency of the laws which govern supply and demand, and the competitive interests that are aroused by consumption, that the want of another and independent line of transit, which would break the Schuylkill monopoly, is the very thing that the miners there most desire. The interests of consumers and producers are not so far apart, after all, that they may not be subserved by the destruction of an intermediate monopoly.

The Lehigh region is now worked by some eighteen or twenty operators, besides the mother Company, commonly called the Old Lehigh. These operators have a road independent of the old company, and two more are in process of building. The Wilkesbarre mines (from which comes one of our finest family coals) had, until this year, no means of access to the Eastern market, except by the upper section of the Lehigh Canal, and that section having been destroyed by the flood of 1862, was not restored, because the Wilkesbarre tonnage was not worth enough to the Lehigh Company to pay them for rebuilding it. But the Wilkesbarre miners have now a road of their own, connecting with the Pennsylvania Central. Their coal, however, in quality, belongs to the Lackawana family, rather than the Lehigh.

The Delaware and Hudson, Pennsylvania and Scranton Companies, as already remarked, are directly in competition, because they mine in the same general region; and their coals, though not precisely alike, are more readily substituted, one for the other, than almost any others. The smaller miners in this region generally sell their coals to these great corporations, but the natural competition between the companies produces a healthful state of trade, which is evinced by the fact that the Lackawana and Wyoming coals are the lowest priced, and the most equably priced, in the long run, of any that come to the market. While the extent of their operations, under judicious conduct, makes these companies profitable to stockholders, the community of dealers and consumers finds in their products a more trustworthy and cheaper staple of trade than in any other.

The relative qualities and uses of the Lehigh, Schuylkill, and Lackawana coals are as follows: The Lehigh is the hardest and purest anthracite in the world. When mined well and cleared of slate, it is the best known coal for making iron—being substantially free from sulphur. From its density it requires a strong draught for its ignition, and consequently it is comparatively unfitted for open grates or stoves, and is less esteemed for steam than almost any other. But it makes at once the hottest and most substantial inclosed fire, and is therefore a favorite for close stoves and furnaces. The best qualities of the Schuylkill and Mahanoy coals (the latter is an intermediate between the former and the Lehigh) approach the Lehigh in density, but are not usually quite as hard, and are, therefore, more generally useful for families. These coals are very much liked. Their product, as already remarked, is about one third of the whole An-

thracite list, and they occupy the intermediate or average position. They are good for iron making, good for steam—though rather hard—and excellent for family use. The Lackawana, Pittston, and Scranton coals, with the other Wyoming grades, are of considerably less weight and density. Of these, the Scranton is the lightest and most easily kindled and consumed. All of them will burn either in open or close grates, and are the most easily managed coals that we have. They are not highly esteemed for making iron, though they are used for that purpose, and largely, too, where they are so accessible that their waste is compensated by inexpensive transportation. For steam they are valued above all others, because they are light to carry, and burn freely, without *clinker*—a peculiarity that saves the grate-bars essentially.

It would certainly seem, to an unprejudiced mind, that the elements of independent competition existed between these great companies, in a sufficient degree to insure a fair price to consumers—provided, they are able to keep their production up to the point of demand. This is the very thing. The main reason why coal is so high—apart from the necessary advance on account of the depreciation of the currency—is because the supply for the last three years has fallen short of the demand. It is a simple matter, and easily demonstrable. Of the two hundred per centum advance since the war, it is reasonable to charge one hundred to the account of the currency. This had depreciated more than one-half, and if consumption and production remained unchanged, the fact would necessarily have doubled the price of staples. Let us recur to the table, and in the light of explanatory statements, see if the other hundred per centum is not fully accounted for. The greatest increase in the production of coal in one year since the trade commenced, was in 1863—the excess over 1862 being 1,578,139 tons. The nearest approaches to this rate of increase were in the years 1851 and 1859, which produced, respectively, 1,125,509 and 987,551 tons over the years previous. But there is a remarkable similarity of circumstances in the three cases. The three years previous to 1851—1850, 1849, and 1848—had gained only 334,355 tons together; though the year 1847 had gained 630,203 tons by itself, and the gains of 1846, 1845, 1844, and 1843, had averaged 300,000 tons each. The three years previous to 1859—1858, 1857, and 1856—had gained only 28,594 tons together; though the years 1855 and 1854 had averaged 700,000 tons each. The three years previous to 1863—1862, 1861, and 1860—had gained only 46,353 tons together. Thus:

		Tons.
1856 1857 1858	Gained together	28,594
1859	Gained	987,551
1860 1861 1862	Gained together	46,353
1863	Gained	1,578,139
	In eight years an aggregate gain of	2,640,637

This is an average annual gain for eight years, from 1856 to 1863, of 330,080 tons. A glance at the general table will show that the average annual gain for the twelve years preceding 1856, including the deficient

years of 1850, 1849, and 1848, was fully 450,000 tons. For twelve years, then, from 1844 to 1855, inclusive, the average annual gain was 450,000 tons; for eight years, from 1856 to 1863, inclusive, it was only 335,080 tons. It would be an insult to the intelligence of any reader of this article to suppose that he believes the demand for coal has *diminished* in this country during the last eight years. There is, perhaps, no more convincing evidence to the contrary, than the increase of imported coals during these eight years. Every one knows that importations, when taken by terms of years, absolutely follow demand. In 1856 we imported 87,000 tons of coal; in 1863, 1,000,000 tons.

Not only was the usual demand for coal undiminished during the last eight years, but we all know that a large extra demand has arisen by reason of the war. More coal was demanded by private manufacturers and carriers engaged in making and transporting arms, munitions, and supplies for Government. The Government itself became a greatly increased consumer—using, the first year of the war, fully 200,000 tons; the second and third 500,000 each, and the fourth, not less than a million. To supply this demand considerably more than the usual rate of increase would have had to be maintained. But an incident occurred in 1862 which reduced the natural product of that year not less than 500,000 tons. This was the great freshet of June, which stopped the transportation of every Anthracite mine in the United States for a month, and of some—as of the Lehigh region—for three or four months.

It will be noticed, moreover, that the year 1861 closed with an actual *decrease* of production as compared with 1860 of 430,514 tons. It would thus seem, that no element of disaster to the coal consuming interest of this country was lacking. In 1861, the first year of the war, involving an increased consumption of probably 350,000 tons, the supply fell off 430,514 tons. In 1862, the second year of the war, when the Government demand alone had reached 500,000 tons, not to speak of private manufacturers, the flood came, cutting off half a million tons. True, the country did not immediately feel these great deductions, on account of the large *carrying stock* in the hands of dealers. This quantity probably reached nearly 750,000 tons in the year 1861, and though a good deal reduced by the heavy draught of that year, was not wholly exhausted until 1862. But during the flood of that year it was entirely sold out, and *has never since been replenished—there has been no chance to replenish it.* The *carrying stock* in the United States, outside of the mining corporations, is not two months supply this day, and the opening of trade in the spring finds the yards empty. It was so last spring, and it was so in the spring of 1863.

In view of these facts, does it require a ghost or a prophet to account for the high price of coal? It is not to be denied that more money has been made by somebody, to the extent, probably, of at least fifty per centum of the whole advance, and it is not difficult to decide into whose pockets this profit has gone. It is divided between the miner and the carrying companies. The Delaware and Hudson, Pennsylvania, and Scranton companies are both miners and carriers, but only of their own coal, (with a few unimportant exceptions,) and we have no means of discriminating the sources of their profits, as, whether by mining or carrying. We have their lists of prices of coals, and that is all. But the Lehigh

and Schuylkill avenues are open to all, and by their changes of prices and tolls we can tell something. In the beginning of the year 1862 the cost of these coals was as follows:

	Per ton.
At the Lehigh mines	$1 85
Transportation to tide-water	1 44
	$3 29
At the Schuylkill mines	$1 80
Transportation to tide	1 73
	$3 53

At the close of the season in 1864 the cost was as follows:

At the Lehigh mines	$5 50
Transportation, etc	4 26
	$9 76
At the Schuylkill mines	$5 25
Transportation	5 12
	$10 37

The mines in all parts of the country have been subject, during the past two years, to a continuous succession of *strikes*. In some districts much violence has prevailed, leading colliers having been even murdered in repeated instances. Rather an unusual proportion of operatives have gone from the collieries into the army, and the canals and railroads have lost largely from same cause. The bounties offered have prevailed against the low wages current at the opening of the war. The consequence of these *strikes*, and this scarcity of hands, has been repeated suspensions of mining operations, uniformly followed by advances of wages. Suspensions of mining diminish the supply of coal, and advances of wages under such circumstances, operate in increased proportion to advance the prices.

Another important element demands at least a reference. A colliery of any magnitude—and none but large collieries are profitable—takes a great amount of capital. If a colliery, producing 300 tons a day, requires a floating capital, in ordinary times, of $100,000 to carry on its operations, that capital, in times like these, must be fully doubled. If the collier finds, in ordinary times, that a profit of fifty cents a ton is a fair compensation for his risks, he will naturally calculate, that when the cost of coal is doubled, his profit and guarantee should advance in a similar proportion. This is simply common sense. It operates, indeed, against the consumer, but it is an inflexible law of trade, so much so, that if not complied with, capitalists will gradually withdraw their money and employ it where it will give them legitimate returns. And this brings us to two points, with the consideration of which this article will be concluded. The first is the influence of the small colliers upon the trade, and the price of coal.

There are, in each of the great coal fields, but particularly in the Lehigh and Schuylkill, many small colliers who work "upon their own hook," and from hand to mouth. In the Lackawana region most of these parties sell their coal to the great companies near them, because there are no

other facilities of transportation; but in the Lehigh and Schuylkill they ship directly to the market themselves. Some of them mine good coal—some of them, very indifferent; but almost all are obliged, in order to sell, to make concessions in price. This would seem at first glance to be a species of competition calculated to keep down the prices of the large companies, and promote the consumers interest. So it does, but not immediately. The circumstances of these small colliers create a class of merchants in the large cities, already referred to, as "middle-men," who need not be expected to pass the loaf without cutting from it as liberal a slice as its size will allow. This business has attracted a large capital, and the result of its operations is to keep the coals of these small colliers fully up to the market price of the companies. The profit is made by other men, but the result is the same. We are not to be understood, however, as expressing an opinion adverse to this class of dealers. *They stand as a very necessary check upon the operations of the large companies, and add a distinct and important competitive agency to those already existing.* There is a continual jealousy of their operations, on the part of the large incorporations, resulting in the exhibition of a scale of prices generally intended to underbid them. Coal can always be bought of the companies when they have it to sell, cheaper than of the middle-men.

The other point is the probable price of coal for the future. In the first place let us see what increase the regular trade and consumption of the country demand year by year. The average gain, as shown by our table, for twelve years, from 1844 to 1855, was 450,000 tons. This evidently tended to an excessive stock; for though the average gain for the ensuing eight years, from 1856 to 1863, was only 330,080 tons, there was a heavy glut, and coal fell in 1862 to $3 29 per ton, the lowest price ever reached in this market. We will assume, therefore, that 400,000 tons gain every year will supply the regular demand. For extraordinary war purposes and Government demand we will assume that an aggregate of 2,000,000 tons was required for the years 1862, 1863, and 1864, and that 1,000,000 tons will be needed for the year 1865. It thus appears that 3,200,000 tons was required in the aggregate for 1862, 1863, and 1864, more than the rate of production of 1861. But the aggregate advance product of these three years, at the largest figures, was only 2,745,268 tons; so that we are going into 1865 with a deficiency of 454,632 tons, while the year itself will require for its regular increase 400,000 tons, and for extraordinary purposes 1,000,000 tons. The year 1865, therefore, must advance upon 1864 at least 1,854,632 tons, in order to keep the market in as good a position as at present. Can this quantity be furnished?

We have seen that the mining facilities of the country as they stood in 1863, were equal to the production of 1,578,139 tons more than in 1862, and that the product of 1864—according to Mr. BANNAN'S table, which we think very nearly accurate—was 1,000,000 tons in advance of 1863. The falling off in the latter year is easily accounted for by the frequent suspension of mining operations by reason of strikes, which, in the Schuylkill region alone, amounted to fully 400,000 tons from this cause. We think that there is reason to believe that the mining facilities of the present year will exceed those of 1863, and that the full quantity of 1,854,632 tons in advance of the product of 1864 will be easily supplied,

unforeseen disasters, of course, excepted. This quantity could be supplied by the unassisted facilities of the present mining and transportation companies, *for there is no avenue of transportation worked to its full capacity*, except the Reading Railroad. But there is another and important element at work. The high price of coal has called a great number of new companies into existence within the past year or two, many of which are now ready for operation. A new railroad has been constructed, as already remarked, which is bringing the products of the Wyoming Valley to New York. Two new roads are building along the line of the Lehigh, and, although the Reading interest has been strong enough hitherto to prevent any interference with its route, the fact that it cannot do the business of the region that it represents indicates clearly that a competitive line will be speedily called for and built. These being facts, the inference is unavoidable, that in case of a considerable falling off in the demand for coal, a proportionate reduction of prices may be expected.

The inflation of coal stocks at the present time is a feature of the market that prudent men will do well to heed. We may be sure that those who have been conducting the coal trade for the last few years have their eye upon it, and are taking advantage of it. When an old collier, in times like these, invites capitalists and others to form a company, and buy his mines and machinery, they may depend upon it that he sees breakers ahead. They will reflect that he has had much experience in the business that he kindly proposes to resign—they, none at all. There is particular cause for caution, if he who, all his life, has been a producer and seller of coal, appears suddenly as a convert to the interests of the consumer. When numerous companies, with unusual nominal capital are springing up, and inviting attention, prudent men of small means will look sharply to their earnings. This brings us to the exposure of a somewhat favorite fallacy of the day, with which this article will be concluded.

A class of operations have come up lately called "Coal-at-Cost Companies," or "Consumers-Benefit Companies." In plain English, they are humbugs. The ordinary "Coal-at-Cost Company" is nothing more or less than a small collier, or his agent, or a dealer, who, having more coal than he can sell by his usual outlet, strikes off some hand bills, rents a cheap office, puts his coal down fifty cents or a dollar, and so works it off rapidly from the boats. He keeps his new title as long as it suits his purpose, and then dismisses it. This does no harm—it is an irregular way of doing business, but if the coal is really sold cheaper, and the dealer does not cheat in the weight more than the difference he pretends to make in price, the consumer gets the benefit. There is another style, however, that is really mischievous. This is a regularly organized company, proposing to lease or buy certain mines, and promising to give each shareholder coal for his own consumption at actual cost. The prospectus of such a company lies at this moment before us. It proposes to buy a well-known and valuable mine which is now operated by an experienced collier, its owner. Why does he wish to sell it? We know, or may know, if behind the scenes, that it cost him somewhere about $300,000. We turn to the prospectus and find that the proposed capital is $800,000, divided into shares of twenty dollars each. If the experienced owner can run this mine at no more than a satisfactory profit, at a cost of $300,000,

can the inexperienced company into whose hands he proposes to turn it, work it at a cost of $800,000, and sell coal without profit? And to whom is this handsome difference of half a million going? If the old collier gets it, it seems likely that he can well afford to sell out. But suppose he is a man of moderate views, and has offered his property (costing $300,000) to an ingenious Wall-Street broker for $500,000, who, in his turn, has devised this "Consumers-own-your-own Mines Company," at a capital of $800,000. If this seems incredible to any one, let him take the word of one who knows the wires, that it is a very pretty and practicable operation, if only there are found noodles enough to believe that great business operations are gotten up for benevolent purposes.

One day a man came into the office of the writer—an honest, hard-working letter carrier, who had proved his thrift by laying up from such a slender business, a little sum of $200. He came to ask about one of these companies—whether he would better invest his $200 in ten shares of the stock, and so be insured an annual perpetuity of ten tons of coal at cost. "Why do you think of it?" asked I.

"Because you fellows are making three or four dollars a ton out of me on coal."

"Speak for yourself, my friend—I have no interest in coal, though I know others who have. But how do you know that anyone is making three or four dollars a ton out of you?"

"Because everybody says so. Didn't the ———— have an article last night saying that coal can be bought at Mauch Chunk at $3 50, and sent here for $3 50—making $7—and here," (pulling out a receipt,) "is Anthracite and Co.'s bill for my last at $12."

"True, and in another column of the same paper you find the notice of the 'Consumers-own-your-own-mines Company,' don't you?"

"Exactly, and as I thought you knew something about it, I just came in to ask you."

"Well," I suggested, "I don't *know* that there is any connection between the two notices, and I'm sure the honest editor has no suspicion of it, but I happen to know something of the company spoken of, and advise you to turn over in your mind as you carry round your letters, the reason, if you can, why people are so anxious to sell their coal property, when they are getting five dollars a ton profit on the product."

The poor fellow scratched his head doubtfully; but suddenly a bright idea struck him.

"It is always the way with you fellows," he said—determined to class me with the capitalists—Heaven send he be a prophet! "You are always keeping a fellow down. You are in the trade, and you want to keep me from getting coal cheap. I'll put into this company and try it."

"But," I replied, with missionary spirit, "suppose a time comes when coal is sold by all the dealers at considerably *less* than cost, as it will be, if they have any stock on hand when the war ends, and gold goes down—what then?"

"Well, then I won't buy my coal of my company, but get it as cheap as I can."

"But what will become of your stock, then, in a company that was 'watered' 100 per cent, and that has to sell coal under that disadvantage below cost?" Scratch.

"And then, suppose coal continues high and profitable, what is to prevent your company from passing a resolution some day that they find this supplying of subscribers at cost a losing operation, and rescinding the whole arrangement?"

"But they can't do it."

"Don't trust them—that's my advice."

My friend gathered up his package of letters, smiling.

"Ah, you fellows are always down on a poor man—I believe I'll take the stock."

And so he will, and the fact may be a good enough comment on the uselessness of advising a man who has made up his mind.

THE HOUSE OF HAPSBURG IN AMERICA.

By Professor Andrew Ten Brook.

(Continued from page 258.)

There has been one period in the later history of this house which looks so like an exception to Hapsburg bigotry as to demand a reference. Charles VI., who reigned from 1685 to 1740, saw that a male successor to his honors was about to fail, and secured, by the pragmatic sanction, the succession of his only daughter Maria Theresa. She married Francis, Duke of Lorraine, (and hence the house has since been called that of Hapsburg Lorraine,) who nominally reigned jointly with her, but really did not interfere in the government of her Austrian dominions. She was bigoted as any of her family, and wrote devotional books, one of which was published. But her uncertain title to the throne, the fearful external pressure upon her from Frêderic the Great of Prussia, the Duke of Bavaria, France and the Turks, drove her to a liberal internal policy to escape dissolution. When in immediate expectation of the capture of Vienna, she fled with her infant child to Presburg, and threw herself upon her Hungarian subjects, at a diet there assembled. They entered into her cause, saved her throne, and ever remained her enthusiastic supporters; for she took the coronation oath as queen of Hungary without any reservation, and kept it. Though she but barely tolerated other religions than her own, her internal administration was wise and liberal. She dismissed the Jesuits, limited the power of the clergy, introduced schools and the arts, and so improved her finances that from the brink of bankruptcy she raised the revenue to a large excess over the expenditures, and left the internal state of Austria better than it had ever been before, or has been since. Her son and successor, Joseph II., played the great and liberal monarch. In 1769, the year after his accession to the Empire, and ten years before he succeeded, on his mother's death, to the Austrian throne, he was at Rome, traveling incognito under the name of Count Falkenstein, and among other places of interest he visited the Gesu, the great establishment of the Jesuits. It was at the time when their suppression was imminent, and was suspended upon the election of a pope by the conclave then in session. The fathers of the order thronged around him. Their

General, RICCI, prostrate at his feet, was about to address him a petition, which he anticipated by asking RICCI when he intended to put off the habit of his order. He treated the matter of the election of a Pope as of little moment. Contrary to the rule he was introduced into the Conclave, which no one was allowed to enter and retire until after an election had been effected, and, to avoid the fetes prepared for him, left Rome that very evening. In this same pert and flippant manner he governed in Austria on his accession. One act raised him above all the family before and after him—the toleration edict which gave freedom of worship to the religious sects; but the rest of his acts—and indeed this too—were arbitrary. Even where they were liberal, their liberality was forced upon the people when they were unprepared for it. He neglected all precedents and constitutions, governed Hungary without the coronation or oath, and acted in like manner in everything else. His life looked much like an attempt to play FREDERIC the Great. He died just in time to escape the dissolution of his Austrian dominions. His brother LEOPOLD, Grand Duke of Tuscany, succeeded him, and, by a master policy, restored in a single year the system of his mother and the good will of his subjects, and died at the opening of the French revolution, in which his sister MARIE ANTOINETTE played so tragic a part. He was succeeded in 1792 by his son FRANCIS, who reigned—if it can be called a reign—until 1835, embracing the whole period of NAPOLEON'S career. He gave his daughter, MARIA LOUISA, to the French Emperor in marriage, and survived and reigned for twenty years after the banishment of his son-in-law. He was succeeded by his son, FERDINAND V., who abdicated in 1848, and still lives in retirement in the city of Prague. The history of the House of Hapsburg would show as narrow a range of variation in the character of its reigning sovereigns as that of any dynasty that ever reigned. It would show a curious compound of benevolence with superstition. The late Emperor is said to be so benevolent that money is even now kept out of his hands lest he should beggar himself by bestowing it all in charity. He had a conscientiousness, however, which did not belong to every member of the family. He would not violate his promises to Hungary and the other provinces of the Empire. As the counsels and policy of the house required this, he must yield his throne to one less scrupulous. It was in the reign of this superstitious, conscientious man, that all the protestants of his province of Tyrol, numbering 137 families, were banished in 1837, and found a home in the Prussian province of Silesia. They must sell their houses and lands, situated in the most beautiful valley of Tyrol—the Zillerthal—and seek a home in a foreign land, because such was the counsel of the Jesuits, who were then the teachers of the province.

FRANCIS JOSEPH, the present Emperor, by the abdication of his uncle, and the renunciation of his father, came to the throne in 1848, when but 18 years of age. His dominions must first be conquered before they could be governed, and but for Russia's aid the Empire would have been dismembered. The rebellion once subdued, he annihilated all constitutions and precedents and incorporated Hungary into the Empire as an integral part of it. Checked, foiled, and rendered more modest, especially by NAPOLEON, in 1859, he has greatly modified his policy, not, however, so as to make the following, which we cut from a religious paper, true in its full

sense: "Within three years Austria has adopted a constitution, securing perfect religious freedom to all, and admitting the Bible in all languages. A place of worship has been given by the Emperor to the protestants in Vienna." Instead of the words "Austria has adopted, etc.," read, "His Imperial Majesty has graciously granted his people a constitution," and then remember that he who can give a constitution can revoke or disregard it. Instead of "perfect religious freedom to all," read, "religious freedom under certain defined provisions to all *existing sects*." The statement that the Emperor has given the protestants a place of worship in Vienna, would *seem* to imply that hitherto there had been no protestant worship in that capital. But there were several such before this imperial gift. It must, however, be admitted that there has been greater progress in Austria for three years past than in any country in Europe, and the true American will set it down as a balance against many weaknesses of FRANCIS JOSEPH, that he is with us in our present struggle. As a true despot, he is opposed to all rebellions even in a republic.

But it is the Emperor's brother on whom our interest is now concentrated. His Imperial Majesty was making, in 1857, a tour with the young empress in his Lombardo-Venetian kingdom. This was characterized by the publication of amnesties and the distribution of largesses. His brother, the Arch-Duke MAXIMILIAN, now on the Mexican throne, was in his suite. He had been married but the year before, and perhaps felt no aversion to becoming the center of a vice-regal court at Milan. Field Marshall RADETSKY, then in his 91st year, had asked to be relieved of the cares of the Government, and the Emperor inclined to grant the veteran's request, and put his brother in the place. It may not have been their fault that the court of this young couple was less brilliant than that which surrounded a man of about his age, and his widow-bride, in the same city, just 60 years before. He may not have been at fault that he failed in his attempt to govern Lombardy and Venice, for a good government from Austria would scarcely have been tolerated by these people. But he soon left them and was placed over the Austrian navy. In this character he did little that we know of, except to write a letter to Lieut. MAURY—a compliment which we value less now than we did before the latter became a rebel.

The motives which led the French Emperor to this choice of a sovereign, for our neighbors on the south, were doubtless somewhat mixed. He who is most recently from the ranks of the vulgar, is most ready to defend the prerogatives of the class to which he has just risen. His Majesty's own rank has been questioned, and he must lay by a store of merit so that other sovereigns may feel bound to admit his divine right to their circle. Mexico has been over forty years without a government. More than seventy different chief executives (nearly two a year) have attempted in turn to administer its affairs, and have failed. If MAXIMILIAN should succeed, the world would attribute to NAPOLEON the singular merit of giving a government to a land which had never been well governed, and for forty years not at all. If he should fail it would only be as all others had failed before him.

And why should we be unwilling to allow that true benevolence may play its part among the motives of this ambitious man? In this respect the pamphleteers and newspaper correspondents who give to the public

the key note upon which they chant the praises and the curses of the world's rulers, generally commit a grave error. They admit too little influence of higher motives in those whom they rightly represent as swayed in general by ambition or the more grovelling passions; they allow too little of baser metal in the composition of the good, the wise, the prudent, and the patriotic. Why may not even NAPOLEON feel in his exalted position some of the impulses which lead to beneficence, and yield them a place in his plans? Why may he not, at least, be wise enough to perceive that the ends of ambition would be more surely attained in the path which leads to the world's highest weal? He had not failed to notice the wretched condition of Mexico—the anarchy and violence which have long prevailed there,—and to feel the importance to that unhappy country and the world of some effort to introduce law and order in their stead. We had lost our hope, and certainly NAPOLEON cherished none, in the weak and spasmodic efforts of a turbulent democracy. MONTESQUIEU taught, and we firmly believe, that virtue in the people is the only security of permanancy in a democracy. Virtue is wanting; honor, too, is wanting; Mexico's only remaining hope is in a strong and vigorous monarchy. NAPOLEON has hope that by establishing such a government he may still save Mexico and merit the world's gratitude.

The motives which sway the imperial mind in this matter are the same in general which rule us. He wishes to furnish a government to Mexico just as we would like to do. The same motive leads us to desire his failure. His own glory, and that of his dynasty, may indeed be a more immediate motive with him than personal and family considerations are with us. Refused admission to the circle of royalty by European sovereigns—long denied by them the epithet of brother—repelled in his efforts to connect himself by marriage even with the petty, princely houses of Germany and Italy, much more the greater ones, he must finally take up with a Spanish princess, whose only hope of escaping a return to the ranks of the vulgar lay in this offer. This alone would not rank him with royalty, much less do what he desired, raise him in the princely ranks far above a questionable position. He must be not only of the princes, but the lawgiver of the order. His success at home, and his merits in the Crimea and in Italy, were not exactly of the kind to secure the personal favor of the monarchs, except that of VICTOR EMMANUEL, which, in the unsettled state of Italy, is of little value. What can he do?

The success of the American revolution reacted upon Europe. This reaction concurring with elements existing there and already in motion, came near overthrowing the monarchies of the Old World. When NAPOLEON was finally put down—when the sovereigns of Europe had just began to raise their heads above the receding waves of the terrible revolution which had well-nigh engulphed them, they saw their greatest danger in the American movement. Reflecting on their recent peril and narrow escape, and deeming that they saw the cause of their danger still in vigorous action in America, they formed what has been called the Holy Alliance, so called perhaps from the personal character of the class of men whose sacred functions had been disturbed, their occupation imperiled, their very existence put to so fearful a hazard, and their persons so often forced into degrading contact with common humanity. These men are declared everywhere to have reigned by the grace of God—a proposition

which we must in fairness admit, since there is no other way to account for their reigning at all. The words of scripture also, "where sin abounded grace did much more abound," greatly favor this claim, as every one must perceive who reads the history of courts. To sustain this institution in Europe, and propagate it on this continent, was the main object of the Holy Alliance. It would restore to Spain—the land in which this institution had attained its highest perfection—her possessions in America, and thus spread the institution of royalty over the whole continent. It was Spain, and that, too, when governed by the Hapsburgs, which developed the greatest activity of the holy office, and at home, in Spanish America, the Netherlands and Italy reduced all to the unity of the faith. This country had, therefore, the first claim on the services of the Holy Alliance, but President MONROE, in his message for 1825, forbade its interference.

This compact of sovereigns was dissolved, but now the last born and most remarkable of that race who reign by "the grace of God," a man who has passed through so many transformations that we scarcely know where to rank him—who is slanderously said to have belonged once to a lower but very useful order of the ruling class—the London police, and to have been afterwards a great patron of the same class in New York—this man has taken up the work of the defunct Holy Alliance in America. The motive which swayed this compact of royalty has doubtless its place, also, in this imperial mind, contemned as he had been by his royal brethren. One would naturally suppose that after rising so far above them all, he would scorn to descend again to their level and accept the brotherhood which they at first denied him, much more to become its champion. He knows that he would not have been so safe in New York if a Bourbon or a Hapsburg had reigned over these States, and that his predecessor, whose granddaughter he has now established on the throne of Mexico, might have been worse off than in school-teaching, or sleeping in hay lofts with stage drivers. He has, however, risen above the fear of a return of such days. Even if he feared them, he might hope that a throne created by him would furnish him an asylum. We may justly attribute to him a desire to restore hereditary monarchy wherever he can conveniently do it. The catholic church, too, may claim his services. By the overgrown power of the Greek church in Russia, the advance of protestantism in Europe and America, and the utter nothingness of the Spanish catholic States of the Western Hemisphere, as well as to make amends for the contempt which he has shown to the Holy Father, he may feel himself called upon to do something towards the equillibrium of the forces and his own credit with the Roman See. What have been called the Latin nations, too, in contradistinction to the Teutonic and Sclavonic, have long been on the wane in regard to their influence in the family of civilized nations. Italy, from her endless divisions and her subjection to Austria, was either lost or was on the wrong side. NAPOLEON restored it mostly in 1859 to its natural alliance with the Latin race. The effort to regenerate Mexico is another movement in the same direction, as, also, the augmented dignity which he had given to his own Empire of France.

This act of the Emperor falls in with those broad views of the world's commerce which he has been known to cherish. In his deepest humiliation, he was occupied with the scheme of cutting the Isthmus of Panam a with a ship canal. He wrote a pamphlet setting forth its great advantage s

to the world. He signed a contract when in the prison at Ham binding himself personally to expend 75,000,000 francs towards the carrying out of this work. He is now actually occupied with a similar cutting of the Isthmus of Suez. This project in Mexico has attached to it, in his own mind, without any doubt, the long cherished one of connecting the Atlantic and Pacific. The magnificent schemes which occupied his prison hours, when none but himself dreamed of the destiny which awaited him, may be supposed still to exist, perhaps enlarged, but quite as likely made more modest by his elevation to power. He has commenced to translate his thoughts into acts. The results have just begun to develop themselves before us. We must not, however, be strict in reasoning from his known plans to his acts; or, on the other hand, from his acts back to his long cherished plans. The latter will never be known until the secrets of all hearts are revealed. Light may be shed upon them. If his purposes and achievements differ from each other only as those of most men, they will still remain too wide asunder to justify us in taking one as the exponent of the other. He has of course had, and still has, some grand life-plan before him. Hitherto he has doubtless been much more occupied with the revision than with the execution of this plan. Section after section, chapter after chapter, perhaps book after book, must have been dropped from the original draught, as events have closed vistas once open, or reflection has modified his estimate of objects seen through them. So, too, new chapters must have been inscribed as events have opened new vistas. The structure has never been demolished and a new one erected in its stead, and yet, successively, almost every stone and stick of timber in it may have been changed, while, built by the same architect, and on the same general plan, it passes for the same old edifice. He is too wise to attempt the execution of an old purpose, which events have shown not feasible. He has not lived in the world so long, the sport of fortune, before he was adopted and became her favorite son, without learning the world's tendencies. He dare not disregard them if he would. His uncle's situation was very different. His great element of strength was the weakness and rottenness of the European monarchs and monarchies of his day. He played with them as a child plays with his toys. But he failed to notice the progress of their education under his own wonderful tuition. It is hazardous for the master to attempt to flog the young man of twenty, because as a boy of fourteen years he had patiently submitted to flogging. About the time of the Congress of Erfurth, in 1808, NAPOLEON had the continental sovereigns so schooled that, like good boys, they took their seats at his word and quietly kept them. But five years later, he attempted to flog the largest boy in the school, and was in turn put out. The nephew's case is quite different. He has not educated Europe, but Europe and the rest of the world has educated him. No man knows better than LOUIS NAPOLEON the elements of which the world is made up. He will despise none of them. The general demand for religious freedom, the progress of the great missionary enterprise, which is doing more to make known and to improve the physical and moral condition of the world than all other agencies combined, as well as all the liberal and progressive tendencies of the age are, well known to him. He will not forfeit the world's gratitude by setting himself against them. The most he will attempt will be to show that they can thrive under monarchical as well

as under republican governments, and thus become foster-father to the child that will in the end assert his paternal rights, and restore republican, or, at least, constitutional government.

While NAPOLEON has had in mind the great commercial interests of the world—which he will not only foster but develop to their highest capability—he has not forgotten, and dare not despise, these beneficent movements. He has done nothing, nor will he do anything, to promote those great enterprises of Christian benevolence and philanthropy, and especially those of free inquiry in matters of religious and civil government; nor will he, on the other hand, do anything to increase the power of the papal see over the human conscience, but, on the other hand, will ever check and limit it. He is doing more even now to humiliate and offend the Pope than he is to restrain the freedom of protestant worship. He is not fully characterized when called an ambitious man. His ambition is, no doubt, somewhat controlling, but it neglects no considerations of prudence. He is the most cautious of men. When he attempted to free Italy from the Austrian yoke, his caution made him leave the work unfinished. He knew that Prussia would not interfere unless he should cross the Mincio and enter the territory of the German Confederation, and that all the German powers were bound to defend that territory. He left Venetia to Austria rather than incur the risk. He has hazarded nothing yet; probably he will run no hazard in America. In alliance with England and Spain he made an effort to collect some debts in Mexico. His allies withdrew without having effected anything. He more consistently pursued some real end. He saw the United States struggling with a fearful rebellion. The effect of this was not merely to quiet his fears of intervention; he took a broader and more rational view. He would establish a government in Mexico; but he saw no material there from which its subordinate agents could be made. But he foresaw, that in case the government at Washington should succeed in quenching the rebellion, there would be enough—and those, too, skilled in matters of government—who would be ready to take refuge in Mexico and subserve his purpose. If, on the other hand, the Southern States should establish their independence, he foresaw a relation between the new confederacy and the new empire which would still furnish him the agents for his government. If in all this, ambition has been his motive, it has never outrun his caution or prudence. Had there been no movement in progress which promised to furnish the means of sustaining a government in Mexico, he would not have made the attempt. Rumor has already announced the beginning of the execution of this policy by taking an old United States Senator of Southern sympathies, and with a wife of courtly manners, and raising him to a dukedom. This, if true, shows the direction in which he is looking for the agents for the government, whether of the empire bestowed upon MAXIMILIAN, or any territory reserved to himself. His special motive in wishing to own a province in America, if such is the fact, we may not be able to tell. We can, however, conceive of commercial advantages in such an arrangement. Some years since, when the PERRY expedition to Japan was fresh in our minds, we talked of the purchase of an island or islands off the Chinese coast, to be used as a naval or commercial depot. Had the thing talked of been realized, we might have been denounced as ambitious of gaining a foothold by which we might in the end subjugate the Celestial and Japanese empires, or Aus-

tralia. We, however, should have thought of nothing more than a prudent regard to our own commercial interests. So NAPOLEON would find a better name for that which we call in him ambition, just as we can do in our own case.

In regard to MAXIMILIAN. In choosing for this throne a respectable member of this old Hapsburg family, NAPOLEON shows that his shrewdness and caution have not deserted him. Mexico was a province of the Empire of CHARLES V., the most renowned of MAXIMILIAN'S ancestors. Perhaps this imperial majesty of France wishes to give this testimony in favor of legitimacy. In this respect, it is true, he testifies against himself; but then the greatness of his service to the cause of legitimacy will merit an exception in his favor from legitimists. But MAXIMILIAN is a cherished brother of FRANCIS JOSEPH of Austria. This connects him with most of the catholic reigning houses. His wife is a daughter of the very Nestor of European sovereigns, the King of Belgium. Her father was husband to the lamented princess CHARLOTTE, daughter of GEORGE IV. of England, and she takes her name from that princess. Her father is also uncle to the late prince consort, and is a favorite in England. The new Empress is also grand-daughter to LOUIS PHILIPPE, late king of the French. NAPOLEON could not well have made a selection which would have commanded a larger support from the reigning sovereigns.

With much in the disorders of Mexico to repel MAXIMILIAN, there is also much to lure him to the acceptance of the proffered Empire. The territory over which he is to reign, if he subjugates it, is from three to four times as large in extent, and in all the resources of physical wealth, as that over which his imperial brother reigns. Mexico is, par excellence, *the* land of the whole earth for luxuriance and variety of natural productiveness. There the banana, the most prolific of all fruits, is at home; oranges, figs, whatever else the tropics produce, flourish there; Mexico has all climates, from that of the tropical to that marked by everlasting snows, and so as one rises from the low lands of the coasts, there are found flourishing all fruits, grasses, vegetables, and cereals of the temperate and frigid zones. Its mineral wealth—if gold and silver which have been its curse can be called its wealth—are its prime natural distinction above the rest of the world. The coinage of silver alone, since the conquest by CORTEZ, is variously estimated at from $2,000,000,000 to $12,000,000,000. The rest of the world together does not equal it. Precious stones are there. The ruby, the amethyst, the opal, the topaz, the garnet, the agate, the chalcedory, are found. As that gold-hunter from the land of gold-hunters approached the imperial capital, MONTEZUMA in alarm sent presents to turn him back. They were, however, too rich. They suggested too vast an idea of the stores from which they must have been drawn. They made the Spanish captain and all his men delirious, and the nation has never recovered from the delirium. It could not be cured in the presence of the exciting cause, and that cause remains to this day, and is perhaps still, to some extent, the lure which has drawn thither MAXIMILIAN, as it did the original conquerors.

The facts which ought to have caused MAXIMILIAN to pause, are but results of this natural wealth, the curse which has naturally resulted from the exuberance of blessing. The original delirium of the Spaniards, became a chronic malady, generating a complication of physical and mental

weaknesses which must be cured, if at all, by a slow and gradual process. The pure Spaniards, the pure Indians, and the various grades of mixture of the two races, make up the population, and their differences are but the different grades of corruption. Neither person nor property of native or foreigner is ever secure from seizure by bandits or government officials, if indeed the latter should be considered as anything but bandits with authority.

There was an unpromising state of things in our neighbor republic which might well have caused hesitation in the minds of both NAPOLEON and MAXIMILIAN, before assuming their several responsibilities in the matter. They have weighed the reasons on both sides and have acted. What is now the duty and interest of other powers, and especially of the United States?

The world is interested that Mexico be governed. This cannot be unless industry is encouraged and protected in the country itself. For this a vigorous government is necessary. We need not further argue the question whether the people are capable of self-government. The remaining questions then will be: *Should the United States assume the government of Mexico, either by conquest and annexation, or by some kind of protectorate; or should other powers be allowed to intervene and furnish such government?*

It is an unfortunate time to argue that we should have undertaken, or should *now* undertake, the government of Mexico. None but rebels desire that we should have had double the present extent of territory in rebellion, and none but those who wish to provide for future rebellions, will desire to see an authority extended over so large a surface, most of which must be, for generations to come, a theatre of anarchy and disorder as hitherto. Our government could not be vigorous there, and, consequently, would be so nowhere else; even supposing that we could govern the country at all. It would cost us, too, ten times as much as we should profit by it, and we should be giving the world the benefit of its commerce at our own expense. This would be true whether government were by a protectorate, or by annexation, for a protectorate would amount to nothing, unless it furnished a real government. Indeed it would be impossible for the United States to establish its authority in Mexico without violating the fundamental principle of our own government. It could not be governed like the rest of our country—that is, allowed to govern itself—present constitutions of the people's own make, and be received as States by the general government. We should have to prescribe constitutions and furnish the agents and means of carrying them into execution, and, certainly, to commence by a violation of our own principle would be to undermine our own government.

Shall we then, like the dog in the manger, drive the oxen from the corn which we ourselves cannot eat? This would be bad policy if it were good morality. The dog should have considered how much he might be dependent upon both the corn and the cattle for a living, which he could not at the moment realize from either. So should we consider how much more Mexico will be worth to us, if so governed that its resources shall be developed and opened to commerce, than if its present disorders continue.

But does the government just inaugurated in Mexico promise to bring

order out of the chronic disorder and anarchy? In reply to this question, we may say that one of two things is certain: either there will be vigor enough in the new government to reduce the chaos to order, and keep it so, or else it will be subverted and expelled, as its more than seventy predecessors have been within the last forty-five years. If the former, then Mexico will be worth more to us as a neighbor than hitherto; if the latter, she will be worth just as much; if the former, then we should do nothing to check the progress of improvement; if the latter, we may spare ourselves the trouble and expense of doing that which will surely be done for us. Our own interests are all against any interference in Mexican affairs, and there is no one of those moral principles recognized as binding upon the family of nations, which requires interference. If NAPOLEON and his European allies had without provocation attacked and subverted an existing government, and violently put another in its place, the case would have been different. They went to chastise a violation or entire neglect of international right. They found no responsible government to chastise. The people were divided into numerous parties, some of which were found willing to accept of a government by a member of a European house, and sent a deputation to offer it to MAXIMILIAN of Austria. Such is the origin of the present state of affairs in Mexico.

We have hitherto been disposed to encourage immigration, and to allow immigrants freely to pursue the callings to which they have been educated or inclined. This Hapsburg family has for 1,000 years past been accustomed to rule, and that on a large scale. The one who has come to Mexico is now in vigorous and active manhood—about 33 years of age—and is one of the best of the family. To govern is not only theoretically but practically his profession. Many of his German countrymen in our land, who have not been educated as rulers, have still been put to this work soon after their arrival among us, and some of them have done very well too; some have even been sent back to represent our country in the very lands of their birth, and that, too, without experience or preparation. Why should we object to this man's making trial of his talents for governing in a neighboring country?

The Monroe doctrine was good in its time, when the sovereigns of Europe seriously thought of extending monarchy over the world, and perhaps with some modification ought still to hold good. It would have been right, and perhaps duty, if an attempt had been made forcibly to subvert an existing government on our continent and establish a monarchy upon its ruins, to have interfered. But the case has really been much like that of the original occupation by European powers of the Western hemisphere in disregard of the rights of the Indian who owned and occupied it; only that the consent of the Indian tribes was not obtained, nor their wishes consulted, while the Mexicans were consulted in regard to MAXIMILIAN'S government, and the majority are actually in favor of it.

The future policy and results of the new regime in Mexico present an inviting field of speculation. We are not, however, skilful in foretelling the future. In regard to policy we would fain hope that Hapsburg history would furnish no key to the future of Mexico. There is often a great difference between that member of a royal house who has been educated for the throne, and those who have not had their vision thus blurred. The late Archduke JOHN of Austria was a liberal man, and the one chosen

by the revolutionary party of Germany in 1848 to take the lead in carrying out the scheme of a United Fatherland. He was finally forbidden by the reigning member of the house to proceed.

COMMERCIAL LAW.—NO. 21.

THE LAW OF PLACE WHERE CONTRACT IS MADE.

WHAT IS EMBRACED WITHIN THE LAW OF PLACE.

If either of the parties to a contract was not at home, or if both were not at the same home, when they entered into it, or if it is to be executed abroad, or if it comes into litigation before a foreign tribunal, then the rights and the obligations of the parties may be affected either by the law of the place of the contract, or by the law of the domicile or home of a party, or by the law of the place where the thing is situated to which the contract refers, or by the law of the tribunal before which the case is litigated. All of these are commonly included in the Latin phrase *lex loci*, or, as we translate the phrase, the Law of Place.

It is obvious that this law must be of great importance wherever citizens of distinct nations have much commercial intercourse with each other. In this country it has an especial and very great importance, from the circumstance that, while the citizens of the whole country have at least as much business connection with each other as those of any other nation, our country is composed of more than thirty separate and independent sovereignties, which are, for most commercial purposes, regarded by the law as foreign to each other.

THE GENERAL PRINCIPLES OF THE LAW OF PLACE.

The general principles upon which the law of place depends are four. First, every sovereignty can bind, by its laws, all persons and all things within the limits of the State. Second, no law has any force or authority of its own, beyond those limits. Third, by the comity or courtesy of nations—aided in our case, as to the several States, by the peculiar and close relation between the States, and for some purposes by a constitutional provision—the laws of foreign states have a qualified force and influence, which it is perhaps impossible to define or describe with precision.

The fourth rule is perhaps that of the most frequent application. It is, that a contract which is not valid where it is made, is valid nowhere else; and one which is valid where it is made, is valid everywhere. Thus a contract made in Massachusetts, and there void because usurious, was sued in New Hampshire and held to be void there, although the law of New Hampshire would not have avoided it if it had been made there. But it seems that courts do not take notice of foreign revenue laws, and will enforce foreign contracts made in violation of them. If contracts are made

only orally, where by law they should be in writing, they cannot be enforced elsewhere where writing is not required; but if made orally where writing is not required, they can be enforced in other countries where such contracts should be in writing. The rule, that a contract which is valid where it is made is valid everywhere, is applicable to contracts of marriage.

As contracts relate either to movables or immovables, or, to use the phraseology of our own law, to personal property or to real property, the following distinction is taken. If the contract refers to personal property, (which never has a fixed place, and is therefore called, in some systems of law, movable property,) the place of the contract governs by its law the construction and effect of the contract. But if the contract refers to real property, it is construed and applied by the law of the place where that real property is situated, without reference, so far as the title is concerned, to the law of the place of the contract. Hence, the title to land can only be given or received as the law of the place where the land is situated requires and determines. And it has been said by high authority, that the same rule may properly apply to all other local stock or funds, although of a personal nature, or so made by the local law, such as bank stock, insurance stock, manufacturing stock, railroad shares, and other incorporeal property, owing its existence to, or regulated by, peculiar local laws; and therefore no effectual transfer can be made of such property, except in the manner prescribed by the local regulations.

ITS EFFECT UPON THE CAPACITY OF PERSONS TO CONTRACT.

As to the capacity of persons to enter into contracts, it is undoubtedly the general rule, that this is determined by the law of his domicile; and whatever that permits him to do, he may do anywhere. But it must be taken, we think,—for the law on this point is not certainly settled,—with this qualification, that a home incapacity, created entirely by a home law, and having no cause or necessity existing in nature, would not go with the party into another country. Thus, the law of France once fixed the age of twenty-five as that of majority. If, then, a Frenchman, in England or in this country, twenty-four years old, made a purchase of goods, and gave his note for it, we have no doubt that note would be valid where it was made. But if a woman nineteen years of age, whose home was in Vermont, where women are of age at eighteen, made in Massachusetts, while only visiting there, her note for goods, we incline to think this note could not be enforced in Massachusetts; if, however, a Massachusetts woman of nineteen, who could not make a valid note for goods in her own State, went for a short time from Massachusetts into Vermont, and while there made her note, for goods bought there, we think this note could be sued there. If it were sent back to Massachusetts, and there put in suit, we think the note should be open to no defence in that State that could not be urged in Vermont, where the note was made (unless it was expressly to be paid in Massachusetts;) but it is quite possible that, as the law of the domicile (Massachusetts) and the law of the place of the contract (Vermont) were in conflict, that law of these two would prevail which was also the law of the place of the forum, or tribunal, or court, and therefore such a note might not be enforced by the courts in Massachusetts.

THE PLACE OF THE CONTRACT.

A contract is made *when* both parties agree to it, and not before. It is therefore made *where* both parties agree to it, if this is one place. But if the contract be made by letter, or by separate signatures to an instrument, the contract is then made where that signature is put to it, or that letter is written, which in fact completes the contract; thus, it has been held, that where a proposal to purchase goods is made by letter sent to another State, and is there assented to, the contract of sale is made in that other State, and if it is valid by the laws of the latter State, it will be enforced in the State whence the letter was sent, although it would have been invalid if made there. Where A, in America, orders goods from England, and the English merchant executes the order, the contract is governed by the law of England, for the contract is there consummated; and it is the law of this place of contract, as we have seen, which, in general, determines its construction, and its force and effect. But this rule is subject to a very important qualification, when the contract is made in one place, and is to be performed in another place; for then, in general, the law of this last place must determine the force and effect of the contract, for the obvious and strong reason, that parties who agreed that a certain thing should be done in a certain place intended that a legal thing should be done there, and therefore bargained with reference to the laws of the place, not in which they stood, but in which they were to act. This principle has been applied to an antenuptial contract, and it was held, that when parties marry in reference to the laws of another country as their intended domicile, the law of the intended domicile governs the construction of their marriage contract as to the rights of personal property.

But, for many commercial transactions, both of these rules seem to be in force; or rather to be blended in such a way as to give the parties an option as to what shall be the place of the contract, and what the rule of law which shall apply to it. Thus, a note written in Boston, and expressly payable in Boston, is, to all intents and purposes, a Boston note; and if more than six per cent interest is promised, it is usurious, whatever may be the domicile of the parties. If made in Boston, and no place of payment is expressed, it is payable and may be demanded anywhere, but would still be a Boston note. But if expressly payable in California, (where there are at this time no usury laws,) and promising to pay twenty per cent interest, we are strongly of opinion that, when payment of the note was demanded in California, the promise of interest would be held valid. So, if the note were made in California, payable in Boston, and promising to pay twenty per cent interest, we think it would not be usurious. In other words, if a note is made in one place, but is payable in another, the parties have their option to make it bear the interest which is lawful in either place. An interesting case occurred in Vermont, involving these principles. It was an action on two promissory notes given in Montreal, by persons living there, to the defendants, payable in Albany, N. Y., and by the defendants indorsed to the plaintiffs. The notes were thus made at Montreal, where the makers resided, and the indorsers and the plaintiffs resided in Vermont. The lawful rate of interest in Montreal was six per cent per annum, and in New York seven per cent. The court, after examining all the authorities, said: "From all of which, we consider the

following rules in regard to interest on contracts made in one country, to be executed in another, to be well settled: 1. If a contract be entered into in one place, to be performed in another, and the rate of interest differs in the two countries, the parties may stipulate for the rate of interest of either country, and thus, by their own express contract, determine with reference to the law of which country that incident of the contract shall be decided. 2. If the contract so entered into stipulate for interest generally, it shall be the rate of interest of the place of payment, unless it appear the parties intended to contract with reference to the law of the other place. 3. If the contract be so entered into for money, payable at a place on a day certain, and no interest be stipulated, and payment be delayed, interest by way of damages shall be allowed, according to the law of the place of payment, where the money may be supposed to have been required by the creditor for use, and where he might be supposed to have borrowed money to supply the deficiency thus occurring, and to have paid the rate of interest of that country." If a note made in Boston and payable in California were demanded in California and unpaid, and afterwards put in suit in Massachusetts, and personal service made on the promisor there, we should say that any interest which it bore should be recovered, provided it were lawful in California. And indeed, generally, that such a note, being made in good faith, might always bear any interest lawful where it was payable. So it would be if the note were made in Boston, and payable in New York, with seven per cent interest. But a note made in Boston, and intended in fact to be paid in Boston, and bearing seven per cent interest, could not escape the usury laws of Massachusetts merely by being written payable in New York.

In everything relating to process and remedy, the *lex fori* (by which Latin phrase is meant the law of the forum or court, or of the place where the suit is brought) prevails over every other. This is true of arrest. Thus, in a suit between A and B, both resident in England, on a contract made between them in Portugal, the contract was interpreted according to the laws of Portugal, but the remedy was taken according to the laws of England where the suit is brought; that is, A could arrest B in England for a debt which accrued in Portugal, while both resided there, although the Portuguese law does not allow of arrest for debt. In New York, where a seal is necessary to constitute a deed, the action peculiar to sealed instruments will not lie on a contract to be performed in Pennsylvania, with a scrawl and the word *seal* in the place of the seal, though, by the law of Pennsylvania, this constitutes a seal.

The form of action relates to the remedy, and is governable by the law of the forum. This is also true of the statutes of limitation and of prescription. Thus, a foreigner, bringing in Massachusetts an action on a simple contract debt more than six years after it accrued, would find his action barred by our statutes of limitation, although the debt accrued in his own country, where there might be a longer limitation, or none at all.

DOMICILE.

It is sometimes important, and very difficult, to determine where a person has his domicile, or home. In general, it is his residence; or that country in which he permanently resides. He may change it by a change of place *both* in fact and in intent, but not by either alone. Thus, a citi-

zen of New York, going to London and remaining there a long time, but without the intention of relinquishing his home in New York, does not lose that home. And if he stays in New York, his *intention* to live and remain abroad does not affect his domicile until he goes in fact.

He may have his legal domicile in one place, and yet spend a very large part of his time in another. But he cannot have more than one domicile. His words or declarations are not the only evidence of his intent; and they are much stronger evidence when against his interest, than when they are in his favor. Thus, one goes from Boston to England. If he goes intending not merely to travel, but to change his residence permanently, and not to return to this country unless as a visitor, he changes his domicile from the day that he leaves this country. Let us suppose, however, that he is still regarded by our assessors as residing here, although traveling abroad, and is heavily taxed accordingly. If he can prove that he has abandoned his original home, he escapes from the tax which he must otherwise pay. Now, his declarations that he has no longer a home here, and that his residence is permanently fixed in England, and the like, would be very far from conclusive in his favor, and could indeed be hardly received as evidence at all, unless they were connected with facts and circumstances. But if it could be shown that he had constantly asserted that he was still an American, that he had no other permanent residence, no home but that which he had temporarily left as a traveler, such declarations would be almost conclusive against him. In general, such a question would be determined by all the words and acts, the arrangement of property at home, the length and the character of the residence abroad, and all the facts and circumstances which would indicate the actual intention and understanding of the party.

Two cases have occurred in the city of Boston, which illustrate this question. In one, a citizen of Boston, who had been at school in the city of Edinburgh when a boy, and formed a predilection for that place as a residence, and had expressed a determination to reside there if he ever should have the means of so doing, removed with his family to that city, in 1836, declaring, at the time of his departure, that he intended to reside abroad, and that if he should return to the United States he should not live in Boston. He resided in Edinburgh and vicinity, as a housekeeper, taking a lease of an estate for a term of years, and endeavored to engage an American to enter his family for two years, as instructor of his children. Before he left Boston, he made a contract for the sale of his mansion-house and furniture there, but shortly afterwards procured said contract to be annulled, (assigning as his reason therefor, that, in case of his death in Europe, his wife might wish to return to Boston,) and let his house and furniture to a tenant. Held, that he had changed his domicile, and was not liable to taxation as an inhabitant of Boston in 1837. In the other case, a native inhabitant of Boston, intending to reside in France, with his family, departed for that country in June, 1836, and was followed by his family about three months afterwards. His dwelling-house and furniture were leased for a year, and he hired a house for a year in Paris. At the time of his departure he intended to return and resume his residence in Boston, but had not fixed on any time for his return. He returned in about sixteen months, and his family in about nine months afterwards. Held, that he continued to be an inhabitant of Boston, and that he was

rightly taxed there, during his absence, for his person and personal property. This last case was distinguished from the former, by the different intent of the parties upon their departure from home.

It is a general rule, that, if one has a domicile, he retains it until he acquires another. Thus, if a seaman, without family or property, sails from the place of his nativity, which may be considered his domicile of origin, although he may return only at long intervals, or even be absent for many years, yet, if he does not, by some actual residence or other means, acquire a domicile elsewhere, he retains his domicile of origin.

It seems to be agreed that one may dwell for a considerable time, and even regularly during a large part of the year, in one place, or even in one State, and yet have his domicile in another. If one resides in Boston five months in the twelve, including the day on which residency determines taxation, and the other seven months at his house in the country, he will be taxed in Boston, and may vote there, and his domicile is there.

A woman marrying takes her husband's domicile, and changes it with him. A minor child has the domicile of his father, or of his mother if she survive his father; and the surviving parent, with whom a child lives, by changing his or her own domicile in good faith, changes that of the child. And even a guardian has the same power.

COMMERCIAL CHRONICLE AND REVIEW.

LATE VICTORIES, ETC., NO EFFECT ON PRICE OF GOLD—LIST OF PRICES—PUBLIC DEBT OF UNITED STATES—CURRENCY MOVEMENT AND PRICE OF GOLD—VALUE DRY GOODS ENTERED FOR CONSUMPTION, ETC.—SPECIE RECEIPTS AND SHIPMENTS—RATES OF EXCHANGE UNITED STATES PAPER—FLUCTUATIONS IN RAILWAY SHARES.

THE belief which we expressed last month that, "in regard to the probability of early recovery from the prevailing depression, the effect of whatever military successes may yet await us has undoubtedly been already discounted," has turned out to be well founded. Events of the most important historical character have since come to pass, one after another in quick succession, but none of them have had any perceptible effect upon prices. During the past thirty days we have seen the fall of Petersburgh and Richmond, the flight of JEFFERSON DAVIS and his Government, the surrender of LEE's army, the capture of Lynchburg, Mobile, Selma and Montgomery, the closure of the Southern ports by proclamation, and the assassination of President LINCOLN, yet gold remains where it stood at our last writing, and the prices of general merchandise, as seen from the following table, have moved only in accordance with the downward tendency imparted to them by the purely commercial and financial causes which we then set forth:

	March 1.	March 28.	April 29.
Ashes, pots, 1st sort.....	$11 00 a 11 25	Nominal.	$8 00 a 8 12½
Coffee, Rio, prime.....	21 a 21½	20½a 21	a 21½
Cotton, mid., fair, upland....	92 a 93	55 a 58	a 58
Flour, State, superfine.....	9 85 a 10 00	9 20 a 9 40	6 90 a 7 10
Hay, N. R. shipping.....	a 1 65	1 60 a	1 00 a 1 5
Nails, cut.....	8 50 a	a 7 50	7 00 a
Petroleum,crude 40a47 gravity	43 a	33 a	39 a 40
Pork, prime mess, new.....	35 00 a 35 50	26 00 a 27 00	26 50 a 27 50
Tobacco, Kentucky lugs.....	10 a 13	8 a 10	8 a 10
Leather, oak (Sl.) light.....	48 a 52	47 a 51	44 a 46

Lumber, spruce, Eastern.....	23 a	27	Nominal.			22 a	25
Corn, white Southern.....	1 93 a	2 00	1 70 a	1 80		1 30 a	1 40
Wheat, white Genessee	2 50 a	2 65	2 25 a	2 40		2 20 a	2 35
Sheetings, brown, standard...	52½a		25 a			31 a	32½

Thus, beyond the elation produced by military successes, and the depression occasioned by the sudden and cruel death of the Chief Magistrate of the Republic, the daily life of the people is seen to throb with a pulse as regular as though it were passing through the most placid and peaceful portion of its history. There were times when events of vastly less importance shook the very foundations of commercial prosperity, and produced the most violent perturbations in the markets of the world, when the taking of a village, or the death of some petty chief, threw all the operations of trade into confusion. But these times are past. Communities hang no longer by single threads. The interests of society are become so numerous and important that triumphs and catastrophies decide little besides private fortunes and personal interests. If it were only to learn this great lesson, it were an especial priviledge to live in these historic times; but the merchant and financier has other advantages to reap from his contemporariety with the class of events which are now occurring. An immense store of useful facts may be gleaned from almost every department of human industry, and all should avail themselves of this era of extra activity to observe them and garner them up for future reference. We want correct statistics concerning prices and values, correct data concerning banking operations, paper money, &c., and now is the time to lay the foundations for such knowledge.

A Treasury statement has been published by Secretary McCulloch, bearing date March 31. After this, it is to be hoped that the law which makes it the duty of the Secretary to exhibit his books to the public, at certain stated intervals, will be rigidly regarded. Since October last, this is the first official statement we have had. The two statements compare as follows:

PUBLIC DEBT OF THE UNITED STATES.

Official statement of the public debt, as appeared from the books, treasurer's returns and requisitions in the Treasury Department, on October 31, 1864, and March 31, 1865:

DEBT BEARING INTEREST IN COIN.

Denominations.	Amounts. Oct. 31, 1864.	Amounts. Mar. 31, 1865.	Increase or Decrease.
6 per cents, December 31, 1867.....	$9,415,250	$9,415,250	....
6 do. July 1, 1868.....	8,908,342	8,908,342	....
5 do. January 1, 1874	20,000,000	20,000,000	....
5 do. January 1, 1871	7,022,000	7,022,000	....
6 per cents, December 31, 1880.....	18,415,000	18,415,000	....
6 do. June 30, 1881	50,000,000	50,000,000	....
6 do. June 30, 1881 (exc. for 7-30s)	125,801,650	139,146,400	$13,344,750
6 do. May 1, 1867-82 (5-20 years).	510,756,900	510,756,900	....
6 do. Nov. 1, 1869-84 (5-20 years)	37,781,600	85,789,000	48,007,400
5 do. Mar. 1, 1874-1904 (10-40 y'rs)	81,680,000	172,770,100	91,090,100
5 do. Jan. 1, 1865 (Texas Indem.).	2,052,000	1,507,000	545,000
6 do. July 1, 1881 (Oregon War).	1,016,000	1,016,000	....
7-30 do. Aug. 19 and Oct. 1, 1864...	14,145,900	615,250	13,530,650
6 do. June 30, 1881.....	74,176,150	75,000,000	823,850
Aggregate of debt bearing coin interest	961,170,792	1,100,861,242	139,190,450

DEBT BEARING INTEREST IN LAWFUL MONEY.

4 per cents, temp. loan	10 days notice	$548,224	$650,477	$102,253
6 do. do.	10 days notice	1,611,125	5,708,262	4,097,137
6 do. do.	10 days notice	45,989,626	46,093,589	103,963
6 do. certificates (one year).....		236,373,000	171,790,000	64,583,000
5 do. one and two years notes....		120,519,110	69,522,350	50,996,760
6 do. three years comp. int. notes.		102,329,680	156,477,650	54,147,970
7-30 do. three years treasury notes..		76,668,550	300,812,800	224,144,250
Aggregate of debt bearing l. m. interest		584,039,315	751,055,128	167,015,813

DEBT ON WHICH INTEREST HAS CEASED.

Bonds and notes—aggregate	356,720	349,420	7,300

DEBT BEARING NO INTEREST.

United States notes	400,000,000	400,000,000	....
Do. do. in red. of temp. loan,	33,160,569	33,160,569	....
Fractional currency.....	20,725,871	24,254,094	3,528,223
	453,886,440	457,414,663	3,528,223
Unpaid requisitions.....	37,514,900	114,256,549	76,740,649
Less amount in treasury.....	19,868,652	56,481,925	36,613,273
Net floating debt.....	17,646,348	57,774,624	40,128,376
Aggregate of debt not bearing interest	471,532,688	515,189,287	43,656,599

RECAPITULATION.

Debt bearing interest in coin	961,170,792	1,100,861,242	139,190 450
Do. do. in lawful money ..	584,039,315	751,055,128	167,015,813
Debt on which interest has ceased.....	356,720	349,420	7,300
Debt bearing no interest.....	471,532,688	515,189,287	43,656,599
Aggregate debts of all kinds	2,017,099,515	2,366,955,077	349,855,562

ANNUAL INTEREST.

Payable in coin....	56,646,604	64,016,632	7,370,028
Payable in lawful money.....	28,667,002	38,819,899	10,152,897
Aggregate interest.....	85,313,606	102,836,531	17,522,925

—not, however, including interest on the three years compound interest notes, which is payable only at maturity.

LEGAL TENDER IN CIRCULATION.

One and two years 5 per cent notes.....	120,519,110	69,522,359	50,996,760
United States notes, currency	433,160,569	433,160,569	....
Three years compound interest notes....	102,329,680	156,477,650	54,147,970
Aggregate legal tender.....	656,009,359	659,160,569	3,151,210

The active circulation of the country is now as follows :

Legal Tender Paper.....	$659,160,564
Fractional Currency.....	24,254,094
National Bank Notes.....	111,634,670
State Bank Notes, say.....	110,000,000
Coppers, say.....	5,000,000
Total.....	$910,049,333

Besides the active circulation, the currency is inflated by means of several descriptions of Government paper which pass readily from hand to hand, in large transactions, as money—sometimes many times over,—and thus, to a certain extent, supply the place of currency, and, of course, correspondingly inflate the whole mass of circulation. We refer to the Certificates of Indebtedness and to the seven-thirty bonds. These securities are paid by the Government to contractors as money, are paid out by the latter as money, and as money, either at par or at a small discount, are passed and repassed again. One of the daily journals of this city states that some twenty millions have lately been paid out of the Treasury in this way, "with the promise that none of them are to be sold or brought upon the open market under four months from the date of reception." Neither the amount stated, nor the supposed restriction which is said to be laid upon their circulation, furnishes any measure of the extent to which they are used. Much larger amounts than this, and without any restriction at all as to their employment, are in active use every day. Of the theory of this and other inflations of the currency, we have treated in the article entitled "Journal of Banking, Currency and Finance."

On the 1st of April, the tax of one-tenth of one per cent on the *currency* price of gold sales went into effect, and tended to add to the depression which other causes had previously produced in the premium. Such measures, in regard to their effect on prices, do not, as is generally supposed, materially discourage speculation. Speculation can never be materially discouraged; but it may be discouraged as to small fluctuations. The effect of such measures is, therefore, to confine speculations to transactions where large fluctuations are looked for, and this is what we may expect to ensue.

Currency continues to be largely employed in moving Western produce, in the operations incidental to the usual Spring trade in the Atlantic cities, and in Government purchases; while, with the foreign imports of general merchandise at $16,012,373, to March 31st, against $23,667,119 for same period last year, the demand for gold, wherewith to pay duties, is very light. These combined causes tend to keep down the price of specie. As soon as they cease to act specie should go up again. The Western movement must soon come to an end, the Spring trade must decline, and quartermasters, having paid up to the 1st of December, and purchased their supplies for the season, will furnish no more employment for currency, at least for some time. The imports, too, which had been interrupted by the low level to which all prices have fallen, will be resumed in order to supply a market which is now but scantily stocked. Unless checked by some erratic operation of the Treasury, or by some unforseen public event, it would therefore appear that we are shortly destined to witness yet another inflation of prices.

But the new seven-thirty loan, and the payments of taxes, afford immense fields for the employment of currency. So long as the Treasury is in receipt of several millions a day, as is the case now, through the combined effect of the seven-thirty loan and the tax laws, so long will the premium on gold rule at low figures.

The following table shows the import of dry goods into this port for the past month:

VALUE OF DRY GOODS ENTERED FOR CONSUMPTION IN APRIL, 1865.

	1864.	1865.
April 6	$1,087,036	$391,243
" 13	932,566	805,678
" 20	1,169,467	403,908
" 27	1,184,372	908,518
Total	$4,273,441	$3,509,347

WITHDRAWN FROM WAREHOUSE.

April 6	$803,225	$350,433
" 13	366,674	571,799
" 20	1,147,017	107,053
" 27	688,193	427,694
Total	$2,505,109	$1,457,029

ENTERED FOR WAREHOUSING.

April 6	$323,772	$502,891
" 13	153,972	621,472
" 20	171,067	22,016
" 27	185,484	213,980
Total	$946,804	$1,360,359

	1864.	1865.
Total entered for consumption	$4,273,441	$2,509,347
Add withdrawn from warehouse	2,505,109	1,459,029
Total thrown on the market	$6,778,550	$3,966,376
Total entered for warehousing	$946,804	$1,360,359
Add entered for consumption	4,273,441	2,509,347
Total entered at the port	$5,220,245	$3,969,706

The specie movement has been as follows:

SPECIE RECEIPTS, SHIPMENTS, &c.

	1864.		1865.			
	Received.	Exported.	Received from California.	Received Foreign.	Exported.	Gold in Bank.
Jan. 2	$254,239	$590,262	$1,147,745	.....	$594,853	$20,152,892
" 9	.....	1,216,204	383,519	$8,171	1,046,251	21,357,608
" 16	279,801	1,985,057	511,088	25,517	329,833	20,211,569
" 23	365,608	1,000,000	.....	5,125	997,136	18,896,085
" 30	324,864	668,747	.....	12,605	.....	.....
Feb. 6	.....	662,616	631,760	19,952	478,777	19,682,808
" 13	363,198	1,219,808	264,322	18,739	370,753	20,297,346
" 20	.....	325,632	448,132	22,900	100,882	20,682,319
" 27	407,067	531,700	794,149	38,696	148,536	20,092,388
March 4	512,358	629,803	.....	48,317	33,393	19,830,183
" 11	.....	465,920	431,163	75,993	181,648	20,737,838
" 18	281,304	83,881	.....	55,221	108,157	22,256,596
" 25	375,101	273,900	.....	50,000	164,440	22,006,524
April 1	273,429	168,912	.....	20,978	79,308	20,584,668
" 8	302,344	345,471	1,463,437	60,769	400,735	20,045,976
" 15	269,522	1,002,384	632,521	31,945	188,900	19,533,784
" 22	.....	3,226,000	.....	71,229	33,922	19,122,288
" 29	282,376	1,271,836	.....	.....	.....	19,049,913

The rates of exchange have ruled as follows:

RATES OF EXCHANGE IN GOLD.

	London, 60 days.	Paris, 60 days.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Jan. 7	108¼ a 109⅛	5.18⅞ a 5.15	41⅛ a 41⅛	41⅛ a 41⅛	36⅛ a 36⅛	72 a 72⅛
" 14	108⅛ a 109⅛	5.18⅛ a 5.13⅛	41⅛ a 41⅛	41 a 41⅛	36⅛ a 36⅛	72⅛ a 72⅛
" 21	108⅛ a 109⅛	5.18⅛ a 5.13⅛	41⅛ a 41⅛	41⅛ a 41⅛	36⅛ a 36⅛	73 a 72⅛
" 28	108⅛ a 109⅛	5.20 a 5.13⅛	41 a 41⅛	41 a 41⅛	36⅛ a 36⅛	72 a 72⅛
Feb. 4	108 a 109⅛	5.21½ a 5.15	41 a 41⅛	41 a 41⅛	36 a 36⅛	71⅛ a 72
" 11	108⅛ a 109	5 28⅛ a 5.15	40⅞ a 41⅛	40⅞ a 41⅛	35⅞ a 36⅛	71⅛ a 72⅛
" 18	107 a 108⅛	5.27½ a 5.20	40½ a 41⅛	40½ a 41	35⅞ a 36⅛	71½ a 72
" 25	108 a 108½	5.27½ a 5.18⅛	40½ a 40½	40½ a 41	35⅞ a 36⅛	71½ a 72
Mch. 4	108 a 108½	5.27½ a 5.21½	40⅛ a 41⅛	40⅛ a 40⅞	36⅛ a 36½	71½ a 71⅝
" 11	107⅞ a 108½	5.27½ a 5.22½	40½ a 41½	40½ a 40⅞	35⅞ a 36½	70⅝ a 71½
" 18	109½ a 109⅝	5 21½ a 5.13⅛	41 a 41⅛	41 a 41⅛	36 a 36⅛	71½ a 72
" 25	109 a 109½	5.20 a 5.15	41 a 41⅛	40⅞ a 41½	36 a 36½	71½ a 72
April 1	109½ a 109⅝	5.20 a 5.15	40⅞ a 41½	40⅝ a 41	36 a 36½	71½ a 71⅝
" 8	108⅝ a 109½	5.22½ a 5.15	40⅝ a 41½	40½ a 41⅞	35⅝ a 36⅝	72½ a 71⅝
" 15	108⅞ a 109½	5.22½ a 5.16⅛	40⅝ a 41½	40⅝ a 41	35⅝ a 36⅛	72 a 71⅝
" 22	109½ a 109⅝	5.20 a 5.12½	41 a 41½	40½ a 41½	36½ a 36⅝	71½ a 72½
" 29	109 a 109½	5.20 a 5.12½	41 a 41½	40½ a 41½	36 a 36⅛	71½ a 72

PRICES OF UNITED STATES PAPER.

	6's, 1881. Reg.	6's, 1881. Coup.	5-20's. Reg.	5-20's. Coup.	10-40's.	1 year certif.	Gold price.
Jan. 7,....	111½	111⅛	100	109	102	96⅛	227 a 227½
" 14,....	112½	112½	102	110	102⅛	98	217½ a 221
" 21,....	111	110	99	108⅛	101½	97½	197½ a 206
" 28,....	110½	109½	98⅛	108½	100⅛	98	213⅛ a 220
Feb. 4,....	109⅛	109½	99½	109½	101½	97⅞	209 a 214½
" 11,....	110⅛	110⅛	102	109⅞	102⅛	98⅛	204½ a 209
" 18,....	111½	111½	103	111⅛	102⅛	98⅛	204 a 205⅛
" 25,....	111½	111	102	111½	102½	98⅛	198½ a 199½
March 1....	111	110⅛	105	110½	102⅛	98½	199½ a 200½
" 8,....	111	111½	....	110⅛	97⅛	98½	196⅛ a 197⅛
" 15,....	110	110	100	109⅛	97	98½	174½ a 177⅛
" 22,....	105	105	....	105	91½	97	156½ a 158½
" 29,....	105	105	....	105	91½	97	151½ a 152½
April 5,....	106½	....	104⅛	107½	92	98	148 a 153⅛
" 12,....	107½	107½	102½	108⅛	93½	98⅛	145½ a 146½
" 19,....	....	....	...	....	....	...	No quotations.*
" 26,....	109	108½	102½	108½	97	99½	147⅛ a 149

Indications of a renewed inflation of prices may be seen even in the above table; but they appear more decided in the following comparative prices of railway shares:

PRICES OF RAILWAY SHARES.

	March 29.	April 3.	April 27.
New York Central	84	101½	103
Hudson River	96	107	115½
Erie	45	69½	85½
Reading	89½	...	110⅝
Mich. So. and N. I.	50	62	74
Illinois Central	93½	112½	117½
Cleveland and Pittsburg	52	74	83½
Chicago and N. W.	21½	31⅝	34
Chicago and R. I.	85⅝	96⅝	105
Fort Wayne	76⅛	93½	103

* In consequence of the President's death the stock and gold markets were closed. On the 15th, immediately after the news of the assassination transpired, a few sales of gold were made at 158 a 160, but this price was not sustained. On the 25th, gold ran up to 152.

Erie, which, a month ago, stood at 45, is now quoted at 85; and, though this stock has made a greater advance than any other, prabably because of the previous sharp fall which it had sustained, the entire list affords strong indications of an early recovery from last month's panic.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

SURRENDER OF LEE—TAX ON STATE BANK CIRCULATION—CHANGE OF STATE BANKS TO NATIONAL CANNOT BE MADE WITHOUT CONSENT OF EVERY STOCKHOLDER—WHAT CONSTITUTES MONEY—NEW YORK CITY BANK RETURNS—PHILADELPHIA, BOSTON, AND NATIONAL BANK RETURNS—RETURNS OF BANK OF ENGLAND AND FRANCE.

THE great event of the past month, an event which will fill an important page in the history of our people, is the peace which will virtually follow from the surrender of the forces under General LEE. This ends the great insurrection which for four years past has caused so much bloodshed, and so altered the face of commercial and banking interests in the United States. Some show of resistance may yet be expected in the inaccessible regions westward of the Mississippi, but the war upon a grand scale has ended. It is almost too soon to commence the business of reform in the financial affairs of the country, until a definite and material diminution of the public expenditures has been effected; but the time is drawing nigh, and the coming fiscal year may witness an entire change of public sentiment concerning the manner in which the Government finances are being conducted.

Section 6 of the amendments to the Internal Revenue Act, passed by the late Congress at the close of the session, and published in another part of this number, imposes a tax of *ten per cent* "on the amount of notes of any State Bank or State Banking Association," paid out by *any* bank after the first day of July, 1866. This is only in keeping with the general run of legislation which has been applied to banking. Under such a stimulus, and the facilities afforded by the other section of this act, it is not surprising that every effort is being made to convert the State Banks into National Banks. Besides this, there exists the further advantage of the large profits which the latter institutions are making in their circulation alone. Such is the desire to convert, that stockholders in State Banks who do do not feel quite so sure about the safety of having their comparatively free institutions trimmed down to the Procrustean standard established by Government, meet with no patience from such of their colleagues who differ from them, and the latter gravely demand to know why they have not the right, if they happen to be in the majority, to vote the matter their own way.

Without saying that a change from the State to the National banking system may not be beneficial, it is very evident that the change cannot lawfully be made without the concurrence of every one of the stockholders. The agreement upon which they entered into business together compels them to remain in that business, and to do no other during its continuance. Should a majority of the shareholders deem it to their interest to invest the funds of the institution in

pork or petroleum, or railway shares, will it be contended that they have the right to do so? If it be, then, why have had any agreement at all? Why not have let every action of the institution be decided by a majority vote? The agreement was clearly of no advantage to the majority, since they always possess the power to do as they please. It was only valuable to the minority, and it is the rights of the minority which it was designed to secure from abuse, and no force on earth can justly deprive them of the security it was designed to confer. Should the majority insist upon carrying out an organic change in opposition to the wishes of the minority, the law must enforce adequate damages for the act.

Concerning the question of circulation, a popular misapprehension appears to exist, and its practical effect is this: it governs the daily transactions of many individuals. It being well understood that, other things being equal, an increase of circulating money effects an increase of prices, and *vice versa*, it is not an uncommon thing to hear men assuming that the circulation in this country before the war was so much, say $250,000,000, and that now it is so much, say $1,000,000,000, or quadrupled; consequently, that gold should be at 400, and other prices in proportion. While admitting the corollary we regard the propositions upon which it is established as entirely erroneous. The error arises from a misconception of what constitutes money. We have no space here to prove the fallacy of the popular conception of what money is, but would refer the reader to the latter volumes of TOOKE, and to MCLEOD, MILL, and HERBERT SPENCER. These, and the more modern French and German economists, have frequently demonstrated that *money is anything that effects exchanges of commodities*. In other words, all the laws which are applicable to what is popularly known as money, (specie and bank notes,) are alike applicable to anything that effects exchanges—to bank checks, to promissory notes, to bills of exchange, to book credits, even to the tenpenny nails and potatoes which were used for this purpose in some parts of the South during the past year or two. These several kinds of money, alike in their action upon prices, only differ in their various powers of intensity—in other words, their ratio of use—or circulation.

Thus, for instance, while a bank note is passing through fifty hands, and performing an equal number of transactions, a promissory note, in case it is endorsed, passes through but two, and in case it is not, through but one, and a book credit the same. A legal tender note will perform twenty offices, while a note which is not a legal tender, and possessing but a local, and consequently a slower, circulation, may perform but ten, or fifteen, or nineteen. Therefore, to know how much the circulation of any country is at any time, it is necessary to know—1st, The amount of specie, and Government and bank notes in circulation, and their respective ratios of activity; 2d, The amount of other paper or credit which is used in commerce, and their respective ratios of activity. This, in the present state of statistical knowledge, is impossible. Only very rough guesses can be made. We know that promissory notes and book credits have been but comparatively little used in this country since the break down of 1861, and that the use of specie has been superseded. An enormous mass of money has thus been withdrawn from use. A large vacuum remained, and Government paper has been forced in to fill it up. Meanwhile the business of the country has not sensibly diminished, perhaps it has increased, and we think it has, and as this regu-

lates the requirement of money wherewith to effect it, the demand has been as great as it was before the vacuum was made. This accounts for the fact that while the circulation appears to be quadrupled, the price of gold is but 150. Let but the present amount of Government paper remain in circulation after the return of peace invites renewed confidence among men, and so effects a return to the use of credit, and gold will soon go as high as it is believed it ought to be to-day by the erroneous advocates of the exploded currency principle.

The following are the returns of the New York City Banks during the past month:

NEW YORK CITY BANKS.

NEW YORK BANKS. (*Capital, Jan.*, 1864, $69,494,577; *Jan.*, 1865, $69,658,787.)

Date.	Loans.	Specie.	Legal tender.	Circulation.	Net Deposits.	Clearings.
Dec. 24,	$203,512,093	$20,600,441	$.....	$3,383,846	$153,805,909	$593,836,137
" 31,	199,444,969	19,662,211	.....	3,283,832	147,442,071	471,039,253
Jan. 7,	195,044,687	20,152,892	.....	3,183,526	147,821,891	535,055,671
" 14,	189,686,750	21,357,608	.....	3,074,029	148,931,299	533,780,682
" 21,	187,060,586	20,211,569	.....	2,979,851	146,068,355	611,194,907
" 28,	169,502,630	18,174,316	.....	2,906,194	143,842,230	656,828,378
Feb. 4,	185,639,790	19,682,308	.....	2,868,646	152,703,316	663,814,484
" 11,	185,515,904	20,297,346	.....	2,821,996	156,711,166	584,179,409
" 18,	186,365,126	20,682,319	.....	2,855,982	156,150,634	518,305,222
" 25,	183,534,735	20,092,378	.....	2,739,383	153,948,481	481,028,121
Mar. 4,	186,569,665	19,530,183	.....	2,720,666	153,009,588	511,361,337
" 11,	188,120,890	20,737,338	26,713,408	2,741,684	152,134,448	412,302,458
" 18,	211,486,651	22,256,596	33,645,014	4,662,505	174,479,367	635,736,233
" 25,	207,677,503	22,066,524	35,295,156	4,457,162	166,965,508	604,796,725
Apr. 1,	204,458,355	20,584,668	42,989,382	4,888,980	173,350,491	509,148,691
" 8,	204,153,839	20,045,976	46,424,957	4,773,528	174,850,185	483,653,634
" 15,	206,508,095	19,533,734	51,061,462	4,757,862	177,815,945	427,761,675
" 22,	204,723,195	19,122,288	57,954,937	4,700,210	184,244,399	272,740,215
" 29,	204,277,573	19,049,913	66,096,274	4,660,659	196,188,733	359,950,814

The following are the returns of the Philadelphia banks:

PHILADELPHIA BANKS.

PHILADELPHIA BANKS. (*Capital, Jan.*, 1863, $11,740,080; 1865, $13,815,720.)

Date. 1865.	Loans.	Specie.	Circulation.	Deposits.	Legal tenders.
Jan. 2,...	$48,059,403	$1,803,583	$2,798,463	$39,845,963	$14,524,175
" 9,...	49,250,629	1,781,108	2,978,035	41,001,803	15,297,223
" 16,...	49,833,799	1,750,669	3,228,785	43,121,208	17,003,905
" 23,...	49,755,716	1,792,891	3,606,051	40,186,513	15,939,598
" 30,...	50,056,584	1,773,266	4,010,192	39,822,860	15,572,893
Feb. 6,...	50,269,473	1,702,776	4,393,173	38,496,337	14,000,852
" 13,...	49,511,683	1,629,957	4,660,697	37,340,531	14,295,547
" 20,...	48,639,386	1,569,223	4,866,771	37,141,900	13,922,954
" 27,...	48,992,272	1,498,644	5,077,436	39,011,100	15,898,502
Mar. 6,...	49,228,540	1,389,264	5,446,021	38,891,622	15,200,287
" 13,...	49,297,223	1,422,736	5,906,791	38,655,908	15,487,835
" 20,...	48,976,280	1,323,274	5,609,276	38,673,804	15,796,783
" 27,...	50,255,294	1,350,988	5,736,660	39,117,258	16,866,146
April 4,...	50,268,729	1,344,223	5,893,626	38,316,847	17,087,645
" 11,...	50,225,821	1,249,282	6,133,397	39,366,445	17,812,697
" 17,...	50,810,519	1,286,333	6,232,343	41,187,764	17,991,294
" 24,...	50,819,031	1,228,798	6,313,889	42,591,060	19,188,676

CHANGES IN CAPITAL STOCK.

Feb. 27.....	$14,485,450	Mar. 13.....	$14,495,550
Mar. 6.....	14,494,050	Apr. 24.....	14,532,130

The following are the returns of the banks of Boston, except those which have reorganized under the National law. They make no returns. Their circulation is, however, included in these figures. With the other National Banks, they number about thirty institutions:

BOSTON BANKS.

Boston Banks. (*Capital, Jan.*, 1863, $38,231,700; *Jan.*, 1865, $22,350,000.)

Date. 1865.	Loans.	Specie.	Circulation.	Deposits.
January 2.....	$46,312,701	$3,424,323	$7,766,888	$23,086,775
" 9.....	33,707,472	2,903,469	7,803,528	16,772,600
" 16.....	33,444,460	2,862,939	7,529,229	15,926,720
" 23.....	33,160,490	2,797,093	7,126,253	16,058,310
" 30.....	33,025,868	2,659,568	6,792,950	16,343,192
February 6.....	25,609,695	2,245,510	6,581,880	12,641,033
" 13.....	23,609,664	2,087,995	6,345,912	11,031,733
" 20.....	23,533,879	2,039,669	5,094,370	10,621,323
" 27.....	22,872,774	1,932,769	6,278,194	9,789,000
March 7.....	22,825,217	1,877,323	5,843,974	9,961,545
" 14.....	21,224,401	1,700,714	5,580,219	9,435,578
" 21.....	21,206,180	1,524,401	5,435,928	9,393.224
" 28. ...	20,952,000	1,426,700	5,279,700	8,958,800
April 3.....	20,749,643	1,385,954	5,099,538	9,264,451
" 10.....	19,047,885	1,258,019	5,898,609	9,036,604
" 17.....	19,222,460	1,178,336	4,738,295	9,185,149

The following table exhibits the aggregate National Bank circulation:

NATIONAL BANKS.

Number, capital, and circulation quarterly to the end of 1864, and periodically to date in 1865.

Date.	Banks.	Capital.	Circulation
October, 1863.....	94	$7,184,715	.....
January, 1864.....	137	14,523,721	$29,155
April, 1864.....	357	42,204,474	12,144,650
July, 1864.....	469	75,213,945	25,825,665
October, 1864.....	524	89,339,400	51,394,150
January, 1865.....	681	143,641,400	76,309,890
January 7, 1865.....	685	145,524,560	78,724,520
" 21, 1865.....	736	169,099,296	83,058,200
February 4, 1865.....	782	179,121,296	87,288,300
" 18, 1865.....	815	186,041,736	93,666,380
March 4, 1865.....	855	192,049,736	99,325,600
" 18, 1865.....	908	202,944,486	104,750,540
April 1, 1865.....	973	225,246,300	111,634,670
" 8, 1865.....	993	232,064,150	114,524,000
" 22, 1865.....	1,041	246,054,170	119,961,800

The following are the returns of the Bank of England:

THE BANK OF ENGLAND RETURNS (IN POUNDS STERLING).

Date. 1865.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 7,...	20,118,116	6,468,544	12,666,764	28,726,674	13,840,691	7 per ct.
" 14,...	19,669,832	7,161,719	12,267,474	28,301,608	14,122,711	6 "
" 21,...	19,669,007	7,694,616	12,927,807	29,326,027	14,307,760	6 "
" 28,...	19,810,455	8,601,125	13,040,643	30,708,083	14,100,974	6 "
Jan. 4,...	21,007,215	8,500,269	13,874,977	32,832,904	13,938,592	6 "
" 11,...	21,012,778	4,445,585	16,174,166	30,957,880	14,097,890	5½ "
" 18,...	21,223,848	4,186,614	14,658,015	29,292,273	14,168,227	5½ "
" 25,...	20,614,794	4,836,799	14,553,933	29,173,458	14,317,215	5 "

Feb. 1,...	20,098,478	5,541,452	14,447,994	30,040,983	14,461,224	5	"
" 8,...	20,743,805	6,252,892	13,814,063	29,908,102	14,511,611	5	"
" 15,...	20,399,763	6,572,512	13,969,659	30,007,199	14,553,871	5	"
" 22,...	20,101,978	6,665,364	14,140,885	29,910,491	14,600,233	4½	"
Mar. 1,...	20,381,080	6,854,409	14,158,331	30,424,108	14,801,267	4½	"
" 8,...	20,281,455	7.677,728	13,904,702	30,949,096	14,758,607	4½	"
" 15,...	20,095,563	8,348,481	13,785,825	31,204,694	14,882,258	4½	"
" 22,...	20,028,891	10,198,989	13,551,794	32,384,622	15,308,636	4½	"
" 29,...	20,388,744	9,839,430	13,478,242	32,271,054	15,358,999	4	"
April 5,...	21,352,503	9,331,615	14,172,353	32,723,269	15,255,433	4	"
" 12,...	21,750,643	5,826,354	15,414,509	31,226,403	14,937,379	4	"

The alterations in the last returns are mainly owing to the payment of the dividends, which commenced on the 8th of April.

The following are the returns of the Bank of France:

BANK OF FRANCE.

		Loans.	Cash and Bullion.	Circulation.	Deposits.	Interest.
December	8	fr.566,921,053	fr.355,640,597	fr.722,291,475	fr.178,968,028	5
"	15	586,521,733	351,562,024	739,383,125	161,270,492	5
"	22	561,603,376	364,008,378	721,487,475	153,193,515	4½
"	29	597,157,830	359,969,767	726,212,275	171,321,867	.
January	5	690,129,259	330,071,913	790,526,625	190,488,131	4½
"	12	677,690,909	314,771,593	806,325,675	153,188,384	4½
"	19	667,121,414	318,170,064	817,443,275	142,120,960	4½
"	26	642,779,237	322,119,477	808,283,925	139,123,008	4½
February	2	651,375,290	318,454,492	812,425,525	143,430,627	4½
"	9	636,803,905	339,240,543	805,966,575	153,039,752	4
"	16	604,140,057	354,573,163	801,601,175	139.995.788	4
"	23	584,895,098	371,630,673	785,025,125	150,235.834	4
March	2	569,812,574	381,455,854	772,377,175	192,866,298	4
"	9	544,367,920	410,774,986	773,243,825	166,985.971	3½
"	16	514,175,658	424,981,230	777,528,125	153,467,097	3½
"	23	509,473,256	445,364,708	774,556,625	148,899,173	3½
"	30	533.202,250	456,899,812	764,783,125	158.286,600	3½
April	6	520,398,578	454,945,861	786,434,775	167,028,900	3½
"	13	522,800,231	432,776,299	806,557,975	130,834,687	3½

Up to the 6th of April an increase of sixty or seventy millions in specie, and a decrease of some thirty millions of discounts within a month testified to a state of depression almost alarming. The last return is the most satisfactory which has appeared for a long while.

AMENDMENT TO NATIONAL CURRENCY LAW.

[PUBLIC—NO. 60.]

AN ACT to amend an act entitled "An act to provide a national currency, secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof."

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section twenty-one of said act be so amended that said section shall read as follows:

SEC. 21. *And be it further enacted*, That upon the transfer and delivery of bonds to the Treasurer as provided in the foregoing section, the association mak-

ing the same shall be entitled to receive from the Comptroller of the Currency circulating notes of different denominations, in blank, registered and countersigned as hereinafter provided, equal in amount to ninety per centum of the current market value of the United States bonds so transferred and delivered, but not exceeding ninety per centum of the amount of said bonds at the par value thereof, if bearing interest at a rate not less than five per centum per annum; and the amount of such circulating notes to be furnished to each association shall be in proportion to its paid up capital as follows, and no more: To each association whose capital shall not exceed five hundred thousand dollars, ninety per centum of such capital; to each association whose capital exceeds five hundred thousand dollars, but does not exceed one million dollars, eighty per centum of such capital; to each association whose capital exceeds one million dollars, but does not exceed three millions of dollars, seventy-five per centum of such capital; to each association whose capital exceeds three millions of dollars, sixty per centum of such capital. And that one hundred and fifty millions of dollars of the entire amount of circulating notes authorized to be issued shall be apportioned to associations in the States, in the District of Columbia, and in the Territories, according to representative population, and the remainder shall be apportioned by the Secretary of the Treasury among associations formed in the several States, in the District of Columbia, and in the Territories, having due regard to the existing banking capital, resources, and business of such State, District, and Territory.

Approved, March 3, 1865.

THE LOAN ACT OF MARCH, 1865.

[OFFICIAL.]

AN ACT to authorize the Secretary of the Treasury to issue Treasury notes and bonds to the amount of six hundred millions of dollars.

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That the Secretary of the Treasury be, and he is hereby authorized to borrow, from time to time, on the credit of the United States, in addition to the amounts heretofore authorized, any sums not exceeding in the aggregate six hundred millions of dollars, and to issue therefor bonds or Treasury notes of the United States, in such form as he may prescribe; and so much thereof as may be issued in bonds shall be in denominations not less than fifty dollars, and may be made payable at any period not more than forty years from date of issue, or may be made redeemable, at the pleasure of the Government, at or after any period not less than five years nor more than forty years from date, or may be made redeemable and payable as aforesaid, as may be expressed upon their face; and so much thereof as may be issued in Treasury notes may be made convertible into any bonds authorized by this act, and may be of such denominations—not less than fifty dollars—and bear such date and be made redeemable or payable at such periods as in the opinion of the Secretary of the

Treasury may be deemed expedient. And the interest on such bonds shall be payable semi-annually; and on Treasury notes, authorized by this act, the interest may be made payable semi-annually or annually, or at maturity thereof; and the principal, or interest, or both, may be made payable in coin or in lawful money, provided that the rate of interest on any such bonds or Treasury notes, when payable in coin, shall not exceed six per centum per annum; and when not payable in coin, shall not exceed seven and three-tenths per centum per annum; and the rate and character of interest shall be expressed on all such bonds or Treasury notes; *And provided, further*, That the act entitled "An act to provide ways and means for the support of the Government, and for other purposes," approved June 30, 1864, shall be so construed as to authorize the issue of bonds of any description authorized by this act. And any Treasury notes or other obligations bearing interest, issued under any act of Congress, may, at the discretion of the Secretary of the Treasury, and with the consent of the holder, be converted into any description of bonds authorized by this act; and no bonds so authorized shall be considered a part of the amount of six hundred millions hereinbefore authorized.

SEC. 2. *And be it further enacted*, That the Secretary of the Treasury may dispose of any of the bonds or other obligations issued under this act, either in the United States or elsewhere, in such manner and at such rates, and under such conditions as he may think advisable, for coin or for other lawful money of the United States, or for any Treasury notes, certificates of indebtedness, or certificates of deposit, or other representatives of value which have been or may be issued under any act of Congress; and may, at his discretion, issue bonds or Treasury notes authorized by this act in payment for any requisitions for materials or supplies which shall have been made by the appropriate department or offices upon the Treasury of the United States, on receiving notice in writing through the department or office making the requisition, that the owner of the claim for which the requisition is issued desires to subscribe for an amount of loan that will cover said requisition, or any part thereof; and all bonds or other obligations issued under this act shall be exempt from taxation by or under State or municipal authority.

SEC. 3. *And be it further enacted*, That all the provisions of the act entitled "An act to provide ways and means for the support of the Government, and for other purposes," approved June 30, 1864, in relation to forms, inscriptions, devices, and the printing, attestation, sealing, signing, and counterfeiting thereof, with such others as are applicable, shall apply to the bonds and other obligations issued under this act; *provided*, that nothing herein contained shall be construed as authorizing the issue of legal tender notes in any form; and a sum, not exceeding one per centum of the amount of bonds and other obligations issued under this act, is hereby appropriated to pay the expense of preparing and issuing the same, and disposing thereof.

STATISTICS OF TRADE AND COMMERCE.

SUGAR.

SHIPMENTS FROM MAURITIUS—TOTAL IMPORTS OF SUGAR INTO EUROPE AND THE UNITED STATES, AND STOCKS ON HAND—THE NEW ORLEANS CROP OF SUGAR.

We have given above the exports of sugar from Cuba, and in connection with those returns, the following will be of interest, showing the shipments of sugar from Mauritius from the beginning to the end of each sugar crop:

COMPARATIVE STATEMENT OF SHIPMENTS OF SUGAR FROM THE MAURITIUS, FROM AUGUST 1 TO JULY 31.

	1861-62. lbs.	1862-63. lbs.	1863-64. lbs.
United Kingdom—			
London	31,149,167	88,851,733	41,757,591
Liverpool	2,978,594	7,259,903	3,691,055
Falmouth	8,300,932	11,531,795	6,778,679
Plymouth	....	642,014	....
Glasgow	....	....	689,775
Cowes	....	....	2,076,926
Greenock	....	769,057	....
Cork, for orders	40,289,865	61,654,564	63,261,043
	82,718,558	170,709,066	118,255,069
France—			
Havre	8,104,015	4,387,318	2,498,838
Marseilles	11,780,163	20,701,779	6,869,284
Bordeaux	7,617,082	8,669,017	5,508,780
Nantes	13,607,007	1,722,989	....
Belle Isle	8,939,448	5,767,685	15,387,685
St. Nazaire	....	....	2,179,114
Cherbourg	...	....	525,082
	50,047,715	41,248,788	32,968,983
Cape of Good Hope	12,835,521	13,817,204	9,354,230
Australian Colonies—			
Port Adelaide	8,933,825	12,310,567	8,633,294
Hobart Town	2,961,335	2,272,332	1,433,552
Launceston	3,188,350	2,680,736	2,606,103
Sydney	14,341,468	5,556,062	11,613,536
Melbourne	32,948,732	39,660,808	28,528,579
Other ports	2,760,556	1,813,504	2,062,782
New Zealand	2,078,286	5,622,619	4,524,389
	67,207,552	69,916,628	59,397,235
Sundry places	7,607,891	20,630,590	23,457,008
Total to end of each crop	220,417,237	316,322,276	243,432,525

The following table gives the total imports of sugar at the principal European ports, the last three years, and the stock on hand December 31 of each year:

IMPORTS OF SUGAR AT THE PRINCIPAL EUROPEAN PORTS, FOR YEARS ENDING DECEMBER 31 AND STOCK ON HAND.

	Imports.			Stock 31st December.		
	1864.	1863.	1862.	1864.	1863.	1862.
In Holland,*.....tons	108,100	119,600	108,200	10,200	5,500	7,800
Havre,†.....	46,530	52,180	45,920	15,440	7,210	9,210
Antwerp	12,070	12,360	14,970	1,160	420	2,530
Hamburg.....	26,500	30 000	28,500	3,450	1,000	5,000
Bremen	5,860	11,570	11,320	1,970	....	1,170
Trieste	7,700	15,370	22,570	1,490	4,450	6,510
Genoa.....	21,120	22,200	30,860	1,180	1,600	3,850
Leghorn.....	9,650	10,820	11,360	440	790	1,330
Continent.....	237,530	274,100	273,700	35,330	20,970	37,400
Great Britain	518,570	492,970	461,990	201.390	148,060	122,800
Total.....	756,100	767,070	735,690	236,720	169,030	160,200

Below we give the total imports of sugar into the United States, and also all other receipts, and the consumption for the past two years:

IMPORTS AND CONSUMPTION OF FOREIGN SUGAR IN THE UNITED STATES.

At New York, direct.....Tons of 2,240 lbs.			139,127	164,205
Boston do	do	do	28,135	28,370
Philadelphia, do	do	do	24,140	27,670
Baltimore do	do	do	14,401	16,562
New Orleans, do	do	do	726	214
Other ports, do	do	do	7,570	6,116
Total receipts.....			214,099	243,137
Add stock at all the Ports, January 1, 1864.....			27,967	21,735
Total supply.....			242,066	264,872
Deduct exports and shipments inland to Canada, from all the Ports, in 1864.....			20,920	5,597
			221,146	259,275
Deduct stock at all the Ports, January 1, 1865.....			28,486	27,967
Total consumption of foreign in 1864.....			192,660	231,308
Consumption of foreign in 1864, as above..... ...			192,660	
Consumption of foreign in 1863.....			231,308	
Decrease in 1864..... ..... tons			38,648	

The amount of the receipts during the year, and consumption of sugar, from Louisiana is estimated at 28,000 tons in 1864, and 53,000 tons in 1863, making the total consumption in the United States during 1864, 220,660 tons, and in 1863, 284,308 tons.

The following figures show the leading ports from whence the supplies received at New York were derived in the last two years:

* Stock in first hands alone; all others in first and second hands.

† Exclusive of Beet-root sugar.

IMPORTS OF SUGAR AT NEW YORK IN 1863 AND 1864.

	1863.	1864.
From Cuba.....tons	137,232	123,420
Porto Rico.....	9,646	6,420
Brazil.....	4,671	1,796
Manilla.....	3,119	5,001
Demerara.....	1,931	940
Jamaica and English Islands.....	1,424	292
Martinique.....	2,385	202
Total, including minor ports.....	163,120	139,127
Add imports from Texas, Louisiana, and other coastwise ports.....	37,720	16,594
Total receipts.....	200,840	155,721

The total consumption of foreign and domestic sugar in the United States, the last seven years, has been as follows:

CONSUMPTION OF FOREIGN AND DOMESTIC IN UNITED STATES.

Year ending	Foreign.	Domestic.	Total.
December 31, 1864.....tons	192,660	28,000	220,660
do 1863.....	231,308	53,000	284,308
do 1862.....	241,411	184,600	432,411
do 1861.....	241,420	122,399	363,819
do 1860.....	296,950	118,331	415,281
do 1859.....	239,084	192,150	431,184
do 1858.....	244,758	143,634	388,492

SUGAR CROP OF LOUISIANA.

The New Orleans Price Current has prepared a statement of the quantity of sugar made this season, on the comparatively limited number of plantations that were put under cultivation. It seems that the whole number of plantations cultivated, or rather where cultivation this season was attempted, is 174, and that the number of hogsheads of sugar made, computing each hogshead at 1100 pounds nett, is some 6668, being an average of only about 38 hogsheads to each plantation, while for the season of 1861-62, the average was about 356 hogsheads. The past has been one of the worst of sugar seasons in Louisiana, and this fact, in conjunction with other most important considerations which it is unnecessary now to discuss, must account for the smallness of the crop. A good many planters finding their cane so inferior in quality as to not fully justify the expense of grinding preserved the whole of it for seed, so that it is hoped there will be a a greater breadth of land put under cultivation the approaching than there was the past season. Still there will be a great want of seed cane, and this must continue to be the case for many years to come, it matters not what system may be adopted to increase its cultivation. Ordinarily it requires one hundred acres of cane to plant a field of three hundred acres.

To ascertain the crop of molasses, it has been the custom to allow seventy gallons of molasses for every thousand pounds of sugar, but this season the proportion will be considerably greater, as on a good many plantations molasses only was made. Possibly the production may reach to 15,000 to 16,000 barrels.

The total number of plantations under cultivation within the limits of Louisiana before the war, according to Mr. CHAMPONIER's valuable work, was 1291,

and of these the grinding on 1027 was performed by steam power, and on the remaining 264 by horse power. Below is the statement of the product this season, on the limited number of plantations cultivated, compared with the product for 1861-62:

CROP OF SUGAR MADE WITHIN THE FOLLOWING PARISHES OF LOUISIANA.

	1864-65. Hhds.	1861-62. Hhds.
Parish of Orleans	26	1,790
do. St. Bernard	361	6,640
do. Plaquemine	2,301	22,433
do. Terrebonne	426	28,839
do. Assumption	963	37,766
do. Lafourche	118	29,781
do. St. Charles	73	19,101
do. St. John the Baptist	43	18,848
do. St. James	267	34,224
do. Ascension	1,285	30,722
do. Iberville	429	41,921
do. Jefferson	303	11,086
do. St. Mary	61	48,779
do. Point Coupee	4	22,565
do. West Baton Rouge	35	24,697
do. East " "	60	10,949
Total	6,668	389,541

The total crop of sugar in the twenty-four parishes into which the cultivation of the sugar cane had been extended in Louisiana was, in the season of 1861-62, 459,410 hogsheads.

THE LUMBER TRADE.

ALBANY—BANGOR—TOLEDO.

ALBANY LUMBER TRADE.

THERE was on hand, as estimated on January 1, 1864, 30,000,000 feet of lumber of the various kinds, and it was pretty well assorted. Gold then stood at 150.

By the fore part of April, gold had risen to 170, and the spring sales were made at an advance of about 10 per cent on the closing prices of 1863.

With gold still advancing, prices by the 1st of July had reached five per cent higher. The rise in gold on that day to 285, caused a still farther advance in lumber, making prices an average of fully 30 per cent over the closing prices of 1863.

These prices were obtained until about the 1st of October, when, gold falling to 190, lumber receded, and a panicky feeling began to be observed in the market. Buyers became timid, lumber accumulated, and dealers found it impossible to advance lumber to correspond with gold, which, with many variations, reached

230 at the close of the season. Indeed, many dealers, anxious to reduce their stock, sold at less than the cost of production and exchange, and the market was more or less unsettled till the close of navigation, when prices were but about 20 per cent over the corresponding time in 1863, while the advance in gold was 54 per cent.

A greater proportion than usual of the pine received in 1864 came from Canada, the supply from southern New York having been largely decreased by the want of snow for logging last winter, and that from Michigan by the high rates of lake and canal freights, with the increased toll charged by the State.

The following table shows the official receipts by the canals at Albany during the years named:

RECEIPTS OF LUMBER AT ALBANY.

Years.	Boards and scanting, Feet.	Shingles, M.	Timber, Cubic Feet.	Staves, Pounds.
1850	216,791,890	34,246	28,832	150,515,280
1851	260,238,003	34,136	110,200	115,087,299
1852	317,135,620	31,636	294,714	107,961,289
1853	393,726,073	27,586	19,916	118,666,750
1854	314,571,151	24,003	28,909	135,805,091
1855	245,921,654	57,210	24,104	140,225,285
1856	223,345,545	36,899	14,533	102,548,402
1857	180,097,629	71,004	85,104	153,264,629
1858	267,406,411	31,823	119,497	135,011,817
1859	291,771,762	48,756	70,881	114,070,503
1860	301,022,600	41,522	46,888	148,785,369
1861	162,952,500	31,782	44,754	143,784,500
1862	223,899,100	32,622	148,217	210,212,100
1863	243,611,500	21,223	307,700	146,746,300
1864	255,418,130	24,004	314,995	86,789,493

The following table shows the official receipts by the canals, at tide-water, during the years named:

RECEIPTS OF LUMBER AT TIDE-WATER.

Years.	Board and scanting, feet.	Shingles, M.	Timber, Cubic feet.	Staves, pounds.
1850	425,095,400	1,868,100	1,666,300	202,225,000
1851	427,038,600	47,900	4,237,800	155,304,000
1852	542,428,800	62,300	4,003,900	145,503,700
1853	667,516,900	38,200	5,234,300	158,163,100
1854	304,791,600	32,800	3,244,300	178,868,000
1855	242,068,200	67,600	2,494,500	199,018,000
1856	206,431,200	61,800	2,967,600	162,856,000
1857	189,648,000	86,900	1,801,600	251,783,000
1858	238,637,400	54,600	1,269,400	202,244,000
1859	352,329,600	177,000	1,454,200	260,926,000
1860	377,688,600	63,400	1,299,800	282,910,000
1861	301,607,000	45,200	1,190,000	264,228,000
1862	412,105,800	49,800	2,506,800	357,030,000
1863	466,804,600	36,100	5,560,600	282,478,000
1864	495,287,400	30,832	4,121,000	286,250,000

The following table shows the prices current, at the principal yards, at the close of the seasons of 1861 and 1864:

PRICES OF LUMBER AT ALBANY FOR 1861 AND 1864.

	Dec. 31, 1861.	Dec. 31, 1864.
Pine, clear, per M	$28 00 a $30 00	$57 00 a $60 00
Pine, fourth quality, per M	19 00 a 20 00	52 00 a 55 00
Pine, select box, per M	17 00 a 18 00	47 00 a 50 00
Pine, good box, per M	15 00 a 16 00	32 00 a 36 00
Pine, common box, per M	12 00 a 13 00	23 00 a 30 00
Pine, common box, ½, per M	9 00 a 10 00	19 00 a 21 00
Pine, clap board strips, per M	15 00 a 20 00	55 00 a 60 00
Pine, tally boards, good, each	15 a 16	30 a 32
Pine, tally boards, 2d quality, each	14 a 15	27 a 29
Pine, tally boards, culls, each	9 a 10	00 a 00
Spruce, boards, each	10½ a 11	23 a 24
Spruce, plank, 1½ inch, each	12½ a 13	27 a 30
Spruce, plank, 2 inch, each	18 a 20	38 a 40
Hemlock, boards, each	8½ a 08	00 a 16
Hemlock, joist, 3 x 4, each	8 a 09	19 a 20
Hemlock, joist, 4 x 6, each	16 a 17	36 a 40
Hemlock, wall strips, 2 x 4, each	06 a 06½	00 a 15
Ash, good, per M	22 00 a 25 00	45 00 a 50 00
Ash, 2d quality, per M	15 00 a 18 00	30 00 a 35 00
Oak, per M	25 00 a 30 00	40 00 a 50 00
Maple, per M	15 00 a 14 00	30 00 a 35 00
Black walnut, good, per M	35 00 a 38 00	75 00 a 80 00
Black walnut, 2d quality, per M	18 00 a 22 00	40 00 a 45 00
Black walnut, ½, per M	33 00 a 38 00	70 00 a 75 00
Cherry, good, per M	35 00 a 40 00	50 00 a 55 00
Cherry, 2d quality, per M	20 00 a 30 00	35 00 a 40 00
Sycamore, inch, per M	16 00 a 18 00	00 a 00
Sycamore, ½, per M	12 00 a 15 00	00 a 00
White wood, chair plank, per M	33 00 a 35 00	75 00 a 80 00
White wood, inch, per M	20 00 a 22 00	45 00 a 50 00
White wood, ½, per M	13 00 a 15 00	35 00 a 40 00
Shingles, 1st quality, shaved pine, p. M	5 50 a 5 75	8 00 a 8 50
Shingles, 2d quality, shaved pine, p. M.	4 00 a 4 50	6 50 a 7 50
Shingles, common, shaved pine, p. M.	2 00 a 3 00	3 00 a 4 00
Shingles, 1st quality, sawed pine, p. M.	00 a 4 00	7 00 a 7 25
Shingles, 2d quality, sawed pine, p. M.	00 a 3 50	6 00 a 6 50
Shingles, common, sawed pine, p. M.	2 00 a 2 25	2 50 a 4 00
Shingles, sawed hemlock, per M	2 00 a 2 50	3 50 a 4 00

BANGOR LUMBER TRADE.

The following is a statement of the amount of lumber surveyed at Bangor from January 1 to December 1, 1864, compared with the amount surveyed during the same period in 1862 and 1863:

	1862.	1863.	1864.
Green pine	49,288,178	49,788,162	41,788,879
Dry pine	11,732,569	12,806,974	11,557,327
Spruce	90,135,783	108,904,447	105,650,850
Hemlock, &c.	7,421,392	16,623,364	12,814,330
	158,577,922	188,122,047	171,820,386

TOLEDO LUMBER TRADE.

The receipts of pine lumber, lath, and shingles by lake, at Toledo, have been as follows for the last seven years:

RECEIPTS OF PINE LUMBER, ETC., BY CANAL.

	Lumber.	Lath.	Shingles.
Total, 1864	55,799,200	15,235,000	18,149,000
" 1863	38,833,884	10,765,000	23,173,000
" 1862	35,562,113	9,564,750	16,653,000
" 1861	24,426,877	7,150,700	13,891,925
" 1860	37,368,586	9,398,712	15,861,788
" 1859	22,216,963	8,659,700	12,998,000
" 1858	19,614,780	5,558,359	9,950,127

The Toledo *Blade* gives the following as the receipts of lumber—principally black walnut—by railroad and canal the last two years:

RECEIPTS OF BLACK WALNUT LUMBER BY CANAL.

	1864.	1863.
By Michigan Southern Railroad.....feet	13,639,125	7,085,000
Toledo and Wabash Railway	2,356,901	989,975
Dayton and Michigan Railroad	2,526,200	3,068,000
Canal	6,306,360	2,648,101
Total.....feet	24,828,586	13,791,076

The shipments of black walnut lumber by lake were—

SHIPMENTS OF BLACK WALNUT BY LAKE.

To Buffalo.....feet	23,428,423
Ogdensburg	2,833,300
Boston, Mass., (direct)	230,000
New York City, (direct)	132,000
Sandusky	110,000
Kingston, C. W	17,000
Total.....feet	26,750,723

CUBA.—PRODUCTIONS AND TRADE.

THE past year has been a prosperous one for Cuba. Her sugars have commanded a high price, affording ample remuneration, yet still exciting but little of that speculative feeling which in other times has proved so pernicious to that market. The prospects the coming season are good, and it is supposed that the yield will be equal to the last crop, although the cane in some localities suffered by the long draught. We avail ourselves of the annual review of the trade of the island by Mr. S. S. SPENCER of Havana, for the purpose of preparing the following comparative statements.

The exports and destination of sugar from the principal ports of Cuba, the last two years, have been as follows:

EXPORTS OF SUGAR FROM THE PRINCIPAL PORTS OF CUBA.

From	Boxes. 1863.	Boxes. 1864.	Hhds. 1863.	Hhds. 1864.
Havana	979,538	1,109,917	10,994	16,804
Matanzas	253,554	250,842	55,052	52,755
Cardenas	26,087	24,963	57,803	52,742
Lagua	837	2,230	61,306	69,957
Remedios	30	....	22,007	30,734
Nuevitas	1	3	13,895	15,916

St. Jago	4,595	1,490	32,855	40,829
Trinidad	13,864	16,810	27,305	30,976
Cienfuegos	6,326	6,496	72,060	73,994
Total	1,284,832	1,406,251	352,777	384,707

DESTINATION OF SUGAR EXPORTED FROM CUBA.

	Boxes.		Hhds.	
	1863.	1864.	1863.	1864.
United States	224,179	160,926	238,361	248,735
Great Britain	496,040	622,508	95,256	109,149
North of Europe	79,228	58,304	2,866	3,028
France	174,370	242,226	1,350	4,724
South of Europe	277,385	288,762	1,384	2,626
Other parts	33,630	33,525	13,560	16,445
Total	1,284,832	1,406,251	352,777	384,707
Total tons	244,118	267,188	217,840	237,557

EXPORTS OF SUGAR FROM CUBA.

We thus see that the total exports from Cuba of sugar, in tons, was in the—

Year.	Tons.
1863	461,958
1864	504,745

We have also prepared the following table showing the exports and destination of molasses the past two years:

EXPORTS AND DESTINATION OF MOLASSES FROM PRINCIPAL PORTS OF CUBA.

Exports.			*Destination.*		
From	1863.	1864.	To	1863.	1864.
Havana	10,756	13,699	United States	185,381	205,557
Matanzas	80,350	83,950	Great Britain	47,213	29,641
Cardenas	89,261	75,307	North of Europe	162	817
Lagua	19,157	23,235	France	6,954	1,032
Remedios	12,492	11,344	South of Europe	530	216
Nuevitas	6,389	10,011	Other parts	21,985	25,492
St. Jago	....	51			
Trinidad	13,179	11,685			
Cienfuegos	30,641	33,493			
Total ....hhds.	262,225	262,775		262,225	262,775
Total tons				170,446	170,804

Below are the imports at Havana for the past ten years:

IMPORTS AT HAVANA.

	Codfish.—Quintals.				Flour.—Barrels.		
Years.	Br. prov.	U. States.	Europe.	Total.	Spain.	U. States.	Total.
1855.	46,705	40,836	17,726	105,267	162,593	971	163,564
1856.	62,443	42,707	25,030	130,180	159,478	6,835	166,313
1857.	41,628	11,908	36,246	89,782	191,228	22,356	213,584
1858.	62,791	39,173	26,561	128,525	248,132	6,478	249,610
1859.	47,270	15,524	33,675	96,469	200,937	1,747	202,684
1860.	40,476	5,186	36,469	82,131	194,024	2,579	196,603
1861.	42,001	4,792	36,360	75,153	247,931	40	247,971
1862.	32,256	4,274	5,956	42,486	231,108	..	231,108
1863.	28,349	9,237	34,448	72,034	210,253	1,180	211,433
1864.	32,159	2,468	42,455	77,082	230,117	1,578	231,695
Av...	42,808	17,610	29,493	89,911	207,080	4,376	211,456

	Jerked beef.	Rice.—Quintals.				Lard.	Wine.
	S. Amer.	Carolina.	Spain.	E. Indies.	Total.	Quintals. U. States.	Pipes. Spain.
1855.	218,669	102,542	99,049	41,052	242,643	80,975	32,854
1856.	238,572	84,620	70,100	77,495	232,215	68,823	31,065
1857.	369,602	79,444	70,899	140,472	290,815	63,514	35,347
1858.	158,737	86,951	73,499	129,647	290,097	87,043	44,758
1859.	353,161	89,313	39,930	123,231	252,474	117,726	43,748
1860.	421,333	98,234	60,097	210,601	377,932	99,569	51,659
1861.	226,802	47,549	52,833	261,615	362,002	162,554	49,718
1862.	364,177	675	94,268	331,415	426,358	171,804	44,947
1863.	278,891	....	57,503	198,266	255,769	113,842	48,979
1864.	299,268	....	105,224	319,874	425,098	129,361	64,025
Av...	292,621	58,933	72,341	184,267	315,541	109,421	44,710

	Boards. M. feet. N. Amer.	Box Shooks. U. S. & N. A.	Hhds. Shooks. U. S. & N. A.	Coals. Tons. E. & A.	Olive oil. Jars. Spain.	Coal oil. Qls. U. States.	Whale oil. Qls. U. States.
1855.	14,743	680,148	109,742	63,718	517,987	....	9,424
1856.	15,732	465,747	97,358	45,989	587,869	....	9,546
1857.	21,567	475,633	86,674	62,798	273,645	....	11,203
1858.	24,084	434,983	51,908	80,473	672,698	....	10,324
1859.	28,567	427,061	74,253	61,422	502,647	....	4,447
1860.	28,375	476,256	52,269	94,291	369,838	630	3,545
1861.	15,747	468,247	47,436	138,872	479,740	3,704	2,167
1862.	10,551	452,903	48,330	178,679	475,192	7,658	2,309
1863.	8,152	368,075	69,659	110,759	350,522	20,243	2,085
1864.	11,185	569,080	45,552	148,884	322,172	25,699	2,103
Av...	17,870	481,813	68,318	98,588	455,231	11,597	5,715

The following shows the number and tonnage of the American, Spanish, British, and French vessels engaged in the Havana trade the last five years:

ENTRIES AT THE PORT OF HAVANA DURING FIVE YEARS.

	1864.		1863.		1862.		1861.		1860.	
	No.	Ton.	No.	Ton.	No.	Ton.	No.	Ton.	No.	Ton.
American	410	201,814	467	177,210	630	176,478	919	282,600	1,175	468,210
Spanish...	790	215,805	636	159,819	728	200,127	649	161,685	724	174,471
British....	598	180,523	537	131,667	358	127,046	275	98,093	161	63,666
French ..	77	29,277	64	22,287	68	24,647	131	45,057	58	20,359

Besides the above there have been, each year, about two hundred and twenty-five vessels under other flags engaged in this trade. Last year (1864) the total number of other vessels was two hundred and twenty-four.

TRADE OF GREAT BRITAIN AND FRANCE FOR 1864.

GREAT BRITAIN.

THE value of the shipments of British goods and produce during the past three years has been as follows:

EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES FROM GREAT BRITAIN.

1862.....	£123,992,264
1863.....	146,602,342
1864.....	160,436,302

From the above figures it will be seen that the increase in exports during 1864, compared with 1863, amounted to £13,833,960, and with 1862 to £36,444,038.

The following arrangement of the exports and imports of Great Britain for the past four years was prepared by the editor of the *Journal of the Statistical Society* of London. We give in the first table the declared real value at port of shipment of articles of British and Irish produce and manufactures exported, and in the second table the computed real value (ex duty) at port of entry, (and, therefore, including freight and importers profit,) of articles of foreign and colonial merchandise imported into the United Kingdom:

VALUE OF EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES.

British produce, etc.	1864.	1863.	1862.
Manufactures—Textile—			
Cotton Manufactures	£45,760,000	£39,424,000	£30,569,000
Cotton yarn	9,096,000	8,020,000	6,203,000
Woolen manufactures	18,566,000	15,519,000	13,147,000
Woolen yarn	5,422,000	5,065,000	3,854,000
Silk manufactures	2,018,000	1,959,000	2,015,000
Silk yarn	297,000	270,000	346,000
Linen manufactures	8,158,000	6,510,000	5,181,000
Linen yarn	8,010,000	2,536,000	1,852,000
	92,327,000	79,303,000	63,117,000
Manufactures—Sewed—			
Apparel	2,584,000	2,808,000	2,556,000
Haberdashery and millinery	4,787,000	4,362,000	3,592,000
	7,371,000	7,170,000	6,148,000
Metals—			
Hardware	4,159,000	3,827,000	3,346,000
Machinery	4,854,000	4,365,000	4,097,000
Iron	13,214,000	13,111,000	11,302,000
Copper and brass	3,911,000	4,233,000	2,822,000
Lead and tin	2,786,000	2,868,000	2,729,000
Coals and culm	4,162,000	3,708,000	3,750,000
	33,086,000	32,107,000	28,047,000
Ceramic manufactures—			
Earthenware and glass	2,179,000	2,090,000	1,863,000
Indigenous manufactures—			
Beer and ale	1,823,000	1,777,000	1,594,000
Butter	328,000	472,000	379,000
Cheese	148,000	156,000	127,000
Candles	142,000	190,000	226,000
Salt	281,000	287,000	321,000
Spirits	508,000	454,000	511,000
Soda	917,000	868,000	886,000
	4,142,000	4,204,000	4,044,000
Various manufactures—			
Books, printed	466,000	457,000	416,000
Furniture	259,000	302,000	276,000
Leather manufactures	2,404,000	2,318,000	2,565,000
Soap	231,000	256,000	227,000
Plate and watches	427,000	463,000	505,000
Stationery	354,000	345,000	286,000
	4.141,000	4,141,000	4,275,000
Remainder of enumerated articles	9,648,000	8,669,000	8,839,000
Unenumerated articles	7,542,000	8,805,000	7,805,000
Total exports	160,436,000	146,486,000	124,138,000

VALUE OF IMPORTS OF ARTICLES OF FOREIGN AND COLONIAL MERCHANDISE.

Foreign articles imported.	1864.	1863.	1862.
Raw materials—Textile—			
Cotton wool	£73,081,000	£56,278,000	£31,093,000
Wool (sheeps')	15,959,000	12,290,000	12,109,000
Silk	12,081,000	15,248,000	15,897,000
Flax	5,283,000	4,271,000	5,206,000
Hemp	3,955,000	3,451,000	2,645,000
Indigo	2,316,000	2,398,000	2,446,000
	112,675,000	93,936,000	69,396,000
Raw materials—Various—			
Hides	2,751,000	3,217,000	3,188,000
Oils	3,149,000	4,075,000	3,951,000
Metals	4,273,000	4,087,000	4,604,000
Tallow	1,512,000	2,439,000	2,508,000
Timber	10,866,000	10,754,000	9,293,000
	22,551,000	24,572,000	23,544,000
Raw materials—Agricultural—			
Guano	1,217,000	2,659,000	1,635,000
Seeds	3,548,000	3,372,000	3,211,000
	4,765,000	6,031,000	4,846,000
Tropical, &c.—Produce—			
Tea	8,226,000	10,666,000	9,176,000
Coffee	3,615,000	4,155,000	3,303,000
Sugar and molasses	16,827,000	12,367,000	12,019,000
Tobacco	2,676,000	3,017,000	2,351,000
Rice	1,375,000	1,866,000	2,400,000
Fruits	911,000	1,562,000	1,228,000
Wine	5,110,000	4,497,000	3,649,000
Spirits	2,056,000	1,706,000	1,692,000
	40,796,000	39,836,000	35,818,000
Food—			
Grain and flour	20,291,000	25,886,000	37,748,000
Provisions	8,928,000	8,789,000	8,564,000
	29,219,000	34,675,000	46,312,000
Remainder of enumerated articles	5,891,000	4,776,000	4,213,000
Total enumerated imports	215,397,000	203,826,000	184,129,000
Add for unenumerated imports (say)	53,849,000	45,154,000	42,473,000
Total imports	269,246,000	248,980,000	226,602,000

Below are the exports of gold and silver from Great Britain. We gave the exports of gold and silver from France in our last number:

EXPORTS OF GOLD AND SILVER, IN MILLIONS STERLING, FROM THE UNITED KINGDOM.

[Unit 000's omitted—thus £3,331 — £3,331,000.]

	Gold.				Silver.			
Exported to	1864. Mlns. £.	1863. Mlns. £.	1862. Mlns. £.	1861. Mlns. £.	1864. Mlns. £.	1863. Mlns. £.	1862. Mlns. £.	1861. Mlns. £.
France	7,775,	3,502,	6,356,	998,	2,146,	1,258,	850,	1,052,
Hanse Towns, Russia, Holland, & Belgium	81,	3,812,	2,146,	21,	1,001,	791,	711,	854,
Portugal, Spain, and Gibraltar	1,589,	1,746,	2,464,	1,037,	30,	4,	8,	3,
	9,445,	9,060,	10,966,	2,056,	3,177,	2,053,	1,569,	1,909,

China (via Egypt)....	....	....	....	....	1,698,	2,586,	3,806,	1,021,
India (via Egypt)....	....	....	....	....	4,610,	6,229,	6,903,	6,187,
United States	185,	40,	36,	7,297,	....	14,	.....	84,
Brazil	927,	1,681,	409,	20,	142,	50,	43,	150,
Turkey.....	....	35,	1,124,	1,	.....	....	905,	....
Egypt	2,060,	3,473,	1,919,	796,	.....	....	.....	....
	12,617,	14,289,	14,454,	10,170,	9,627,	10,982,	13,226,	9,422,
All other countries....	662,	1,012,	1,557,	68,	249,	356,	88,	151,
Total	13,279,	15,301,	16,011,	11,238,	9,876,	11,288,	13,314,	9,573,

The following are the imports of gold and silver:

IMPORTS OF GOLD AND SILVER, IN MILLIONS STERLING, INTO THE UNITED KINGDOM.

[Unit 000's omitted—thus £6,050 — £6,050,000.]

	Gold.				Silver.			
	1864. Mlns. £.	1863. Mlns. £.	1862. Mlns. £.	1861. Mlns. £.	1864. Mlns. £.	1863. Mlns. £.	1862. Mlns. £.	1861. Mlns. £.
Australia	2,656,	5,995,	6,704,	6,331,	....	....	....	....
British Columbia and British N. America.	123,	47,	61,	55,	12,	59,	19,	8,
Mexico, S. America, and West Indies ..	5,240,	3,960,	1,631,	935,	7,002,	6,750,	6,242,	5,047,
United States.....	7,480,	7,520,	9,731,	38,	155,	626,	332,	28,
Russia	50,	904,	756,	557,	3,	8,	7,	....
	15,549,	18,426,	18,884,	7,916,	7,172,	7,443,	6,600,	5,083,
France	574,	187,	91,	2,504,	1,115,	1,256,	2,202,	690,
Hanse Towns, Holland, and Belgium..	220,	316,	430,	885,	2,272,	2,062,	2,707,	524,
Portugal, Spain, and Gibraltar.....	133,	16,	26,	42,	92,	80,	120,	160,
Malta, Turkey, and Egypt.....	80,	115,	8,	51,	....	3,	13,	31,
West coast of Africa	96,	69,	100,	78,	24,	8,	6,	2,
	16,652,	19,129,	19,539,	11,476,	10,675,	10,852,	11,648,	6,496,
All other countries.	245,	4,	364,	687,	157,	31,	104,	87,
Total	16,897,	19,133,	19,903,	12,163,	10,732,	10,883,	11,752,	6,583,

The import table shows a large arrival of gold from the West Indies, caused by the extensive shipments made from California direct to Great Britain on New York account.

The total import of gold and silver last year was £27,621,000, against £29,870,000; and the total export £23,155,000 against £26,461,000 in 1863.

The large shipments of gold to France, last year, were made, in a considerable degree, for the purpose of buying silver for transmission to the East to pay for cotton. The shipments of silver from Marseilles by the steamers of the Messageries Imperiales amounted to £3,043,300, or about one million and a-half sterling in excess of 1863; consequently, as a good proportion of this amount was shipped on English account, the actual decrease in the export of silver to the East for the past year shows but a moderate decrease, when compared with the preceding twelve months. The official statement showing the export of silver from the United Kingdom to India and China shows a diminution in 1864, as compared with 1863, of about £2,300,000.

The following table shows the increase and decrease in exports to various countries in 1864, compared with 1863:

EXPORTS FROM GREAT BRITAIN TO VARIOUS COUNTRIES.

Countries.	1863.	1864.	Increase.	Decrease.
Russia	£2,695,276	£2,854,898	£159,622	.....
Sweden	606,987	731,980	124,993	.....
Norway	556,979	771,728	214,749	.....
Denmark, including Iceland	1,004,904	1,290,609	285,705	.....
Prussia	1,917,345	1,136,416	.....	£780,729
Hanover	568,337	689,904	121,567	.....
Hanse towns	10,806,092	13,373,131	2,567,039	.....
Holland	6,324,696	6,895,463	560,767	.....
Belgium	2,107,332	2,305,521	298,189	.....
France	8,673,309	8,200,760	.....	472,549
Portugal Proper	2,225,777	2,084,073	.....	141,704
Spain	3,508,556	3,088,123	.....	420,433
Italy	5,901,112	5,601,345	.....	299,767
Illyria, Croatia, and Dalmatio	864,736	792,280	.....	72,546
Turkey, European	4,427,886	4,872,837	444,951	.....
Natolia or Asia Minor	1,044,668	1,069,853	25,785	.....
Syria and Palestine	1,026,562	1,365,949	339,387	.....
Egypt	4,406,295	6,070,221	1,663,926	.....
Western Africa (foreign)	656,407	571,306	.....	85,101
Dutch pos. in India (Java, &c.)	650,424	796,582	146,158	.....
Philppine Islands	556,863	765,764	208,901	.....
China (exclusive of Hong Kong)	2,416,705	3,093,865	677,160	.....
Cuba and Porto Rico	2,131,087	2,997,720	866,633	.....
Other foreign West Indies(including Hayti and San Domingo)	1,365,706	1,371,548	5,842	.....
United States	15,344,392	16,704,080	1,359,698	.....
Mexico	1,678,572	1,808,743	130,171	.....
New Granada	1,558,188	2,029,344	471,156	.....
Peru	1,027,343	1,334,875	307,532	.....
Chili	1,431,814	1,691,410	259,604	.....
Brazil	3,964,261	6,258,906	2,294,645	.....
Uruguay	534,973	993,259	458,286	.....
Argentine Confederation	1,330,959	1,758,085	427,126	.....
Channel Islands	867,776	1,016,171	148,395	.....
Gibraltar	1,267,900	1,206,206	.....	61,794
Malta and Gozo	622,608	746,385	123,777	.....
Cape of Good Hope	1,230,089	1,814,877	584,788	.....
Mauritius	511,813	658,258	146,445	.....
India	20,002,241	19,895,145	.....	107,096
Singapore and Eastern Straits	1,486,774	1,185,680	.....	301,094
Ceylon	1,075,927	828,368	.....	247,559
Hong Kong	1,473,222	1,610,957	137,735	.....
Australia	12,498,534	11,858,679	.....	639,855
British North America	4,813,482	5,611,276	797,794	.....
Bermudas	607,443	656,777	49,334	.....
British West India Islands	2,623,847	2,659,778	35,931	.....
British Guiana	512,391	803,503	291,112	.....

The increase and decrease in the shipments of various articles in 1864 thus compares with the previous year:

EXPORTS OF CERTAIN ARTICLES FROM GREAT BRITAIN.

Articles.	1863.	1864.	Increase.	Decrease.
Alkali	£866,715	£917,262	£50,547	.....
Apparel, &c	2,808,968	2,583,653	.....	£225,315
Arms (small fire)	856,009	344,476	.....	511,533

Articles.	1863.	1864.	Increase.	Decrease.
Bags, empty	555,282	749,454	194,172	.....
Beer and ale	1,746,238	1,828,162	76,924	.....
Coals, &c	3,713,798	4,161,338	447,540	.....
Cotton yarn	8,068,128	9,096,209	1,033,081	.....
Manufactures—Piece goods	37,633,535	43,887,387	6,253,852	.....
Thread	746,470	787,697	41,227	.....
Earthenware and porcelain	1,341,069	1,422,130	81,061	.....
Fish—Herrings	501,032	501,954	922	.....
Haberdashery and millinery	4,359,659	4,786,899	427,240	.....
Hardware and cutlery	3,833,149	4,159,107	325,958	.....
Leather, wrought, boots & shoes	1,405,819	1,482,631	76,812	.....
Linen yarn	2,530,404	3,010,109	479,705	.....
Linen manufactures—Piece goods	5,920,859	7,591,535	1,670,676	.....
Thread	527,105	494,312	.....	32,793
Machinery—Steam engines	1,595,036	1,626,342	31,306	.....
Other sorts	2,772,976	3,227,848	454,872	.....
Metals—Iron, pig and puddled	1,287,968	1,411,513	123,545	.....
Bar, &c	2,568,034	2,559,009	.....	9,025
Railroad	3,278,304	3,260,781	.....	17,523
Castings	740,310	656,085	.....	84,225
Hoop, sheet, &c	1,720,881	1,780,359	59,474	.....
Wrought	2,152,754	2,237,038	84,284	.....
Steel, unwrought	935,517	881,503	.....	54,014
Copper, unwrought	1,188,713	588,805	.....	600,358
Wrought	2,727,085	2,920,592	193,507	.....
Lead, pig	773,864	761,673	.....	12,191
Tin, unwrought	513,877	483,098	.....	30,779
Plates	1,309,673	1,264,100	.....	45,573
Oil, seed	999,077	1,255,961	256,884	.....
Paper	548,257	550,092	1,835	.....
Silk—Thrown	541,278	558,419	17,141	.....
Manufactures	1,421,261	1,460,014	38,753	.....
Spirits (British)	454,328	503,357	49,029	.....
Wool, sheep and lambs	688,300	695,302	7,002	.....
Woolen and worsted yarn	5,087,293	5,422,162	334,869	.....
Manufactures—Cloths, &c	3,964,910	4,546,054	581,144	.....
Flannels	503,984	554,613	50,629	.....
Blankets	792,134	796,144	4,010	.....
Carpets and druggets	810,783	872,598	61,815	.....
Worsted stuffs of wool only, and of wool mixed with other materials	8,336,957	10,801,854	2,464,897	.....

The annexed returns shows the increase and decrease in the real value of the principal articles imported in 1864 compared with 1863:

IMPORTS OF CERTAIN ARTICLES INTO GREAT BRITAIN.

Articles.	1863.	1864.	Increase.	Decrease.
Coffee, raw	£4,155,029	£3,615,759	.....	£539,270
Wheat	12,015,006	10,673,226	.....	1,341,780
Barley	2,823,544	1,624,291	.....	1,199,253
Oats	2,215,676	1,827,990	.....	387,680
Peas	516,957	428,076	.....	88,880
Beans	749,074	344,908	.....	404,166
Indian corn or maize	4,042,908	1,977,955	.....	2,064,953
Wheatmeal and flour	3,522,931	2,832,200	.....	690,731
Cotton, raw	56,277,953	78,203,729	£21,925,776	.....
Cotton manufac. not made up	1,034,904	833,629	.....	210,275
Flax	4,271,059	5,323,053	1,051,994	.....

Articles.	1863.	1864.	Increase.	Decrease.
Fruit—Currants	981,187	719,680	.....	261,457
Raisins	580,548	452,394	.....	128,154
Guano	2,658,856	1,463,012	.....	1,195,844
Hemp	1,880,253	1,745,353	.....	134,900
Jute	1,575,882	2,230,286	654,444	.....
Hides	2,784,622	2,667,811	.....	116,811
Metals—Copper	2,000,473	2,051,374	50,901	.....
Provisions	8,789,760	9,740,248	950,488	.....
Rice	1,866,109	1,809,103	.....	57,006
Seeds—Flax and linseed	3,372,432	3,947,221	574,789	.....
Silk—Raw	9,380,758	6,350,241	.....	3,030,517
Thrown	93,939	123,281	29,342	.....
Broadstuffs	3,683,752	4,493,507	809,755	.....
Silk or satin ribbons	1,359,883	1,305,962	.....	53,921
Velvet or plush	594,378	531,994	.....	62,384
Spirits—Rum	581,089	484,973	.....	96,066
Brandy	1,124,824	1,505,382	380,568	.....
Sugar—Unrefined	11,520,242	14,408,838	2,878,596	.....
Refined or sugar candy	500,307	1,668,768	1,168,461	.....
Tallow	2,438,613	2,077,726	.....	360,887
Tea	10,666,017	9,438,760	.....	1,227,257
Timber—Deals, battens, &c.	5,766,003	6,010,341	244,338	.....
Not sawn or split	4,988,235	4,936,176	.....	52,059
Tobacco—Unstemmed	1,722,571	1,952,409	229,838	.....
Wine	4,497,343	5,002,884	505,541	.....
Wool	11,465,257	15,162,694	3,697,437	.....
Woolen manufactures	1,596,081	1,669,347	73,266	.....

FRANCE.

The official returns have now been made up showing the quantities and value of the imports and exports of France the past year. It seems that the total value of the imports taken for consumption in the year 1864, was 2,480,214,000f.; in 1863, 2,426,379,000f.; in 1862, 2,198,555,000f.; and 1861, 2,442,328,000f. The total value of the exports of French productions was, in 1864, 2,909,429,000f; in 1863, 2,642,559,000f.; in 1862, 2,242,681,000f.; and in 1861, 1,926,260,000f In the imports, the principal articles were hides, skins, and furs, silk, wool, sugar, timber, cotton, coal. Of cotton, the value was 315,606,000f. in 1864, which was 53,000,000f. more than in 1863, and 189,000,000f. more than in 1862. In exports, the principal articles were silk, wool, and cotton tissues; articles in skin and leather; turnery, mercery, and buttons; ready-made clothes and linen, wines and brandies.

As to the precious metals, which are not included in the preceding totals, the value of them (comprising a small sum for copper and platina coin) was in imports, in 1864, 733,500,000f.; in 1863, 532,603,000f.; 1862, 536,418,000f.; and 1861, 491,586,000f.; and the exports were, in 1864, 655,406,000f.; in 1863, 587,818,000f.; 1862, 455,910,000f.; and 1861, 502,480,000f.

We gave last month (March number, 1865, page 211,) the full returns of the movements of the precious metals, with the countries from which the imports came and to which the exports went. It is unnecessary to repeat those tables now, but below will be found in detail the value of the principal imports and exports of French production for the last three years:

VALUE OF THE PRINCIPAL IMPORTS OF FRENCH PRODUCTION.

	1864. francs.	1863. francs.	1862. francs.
Horses	10,543,000	10,293,000	9,084,000
Cattle	84,162,000	77,136,000	60,983,000
Hides	106,861,000	111,038,000	69,271,000
Wool	222,249,000	223,730,000	185,134,000
Silk	246,818,000	291,905,000	235,958,000
Tallow	29,170,000	44,540,000	40,134,000
Guano and manure	25,148,000	24,264,000	16,990,000
Rice	11,104,000	12,408,000	12,796,000
Table fruits	16,026,000	16,766,000	17,250,000
Oleaginous fruits	18,365,000	19,554,000	18,281,000
Oleaginous seeds	55,047,000	39,976,000	49,251,000
Seeds for sowing	16,913,000	16,529,000	15,519,000
Olive oil	30,125,000	24,549,000	32,490,000
Sugar	132,248,000	147,419,000	130,922,000
Cocoa	8,551,000	8,270,000	6,630,000
Coffee	80,967,000	79,792,000	75,974,000
Pepper	4,472,000	3,427,000	4,251,000
Tea	1,513,000	1,489,000	1,520,000
Tobacco	21,935,000	19,203,000	16,929,000
Timber	107,343,000	104,842,000	89,411,000
Staves	18,248,000	20,233,000	23,970,000
Jute	3,311,000	4,559,000	3,780,000
Hemp	9,846,000	4,110,000	5,879,000
Flax	76,809,000	50,551,000	35,808,000
Cotton	315,606,000	261,836,000	126,159,000
Hops	4,698,000	4,792,000	3,839,000
Rags	4,492,000	985,000	3,631,000
Coal	109,866,000	100,014,000	102,167,000
Pig iron	3,971,000	17,690,000	22,207,000
Iron	1,413,000	4,194,000	22,889,000
Copper	44,166,000	39,873,000	34,832,000
Lead	9,567,000	9,505,000	9,285,000
Tin	13,779,000	9,913,000	11,385,000
Zinc	14,098,000	12,996,000	14,172,000
Steel	1,374,000	1,909,000	2,646,000
Indigo	17,827,000	2,005,000	25,035,000
Linen, hemp, and jute yarn	4,726,000	7,702,000	5,830,000
Cotton yarn	6,987,000	7,631,000	12,942,000
Woolen yarn	10,572,000	10,234,000	7,493,000
Goats' hair yarn	5,109,000	4,348,000	4,933,000
Linen and hemp tissues	13,049,000	12,470,000	13,483,000
Hair tissues	5,145,000	5,411,000	7,285,000
Silk tissues	6,685,000	4 729,000	4,624,000
Woolen tissues	31,965,000	33,373,000	40,961,000
Cotton tissues	9,073,000	8,560,000	14 305,000
Machinery	11,312,000	10,551,000	10,770,000
Needles	1,407,000	1,323,000	1,354,000
Cutlery	224,000	284,000	369,000
Corn and flour	29,091,000	53,020,000	157,509,000

VALUE OF THE PRINCIPAL EXPORTS OF FRENCH PRODUCTION.

	1864. francs.	1863. francs.	1862. francs.
Silk tissues	384,521,000	370,293,000	363,151,000
Woolen tissues	351,949,000	293,583,000	221,691,000
Cotton tissues	84,063,000	98,179,000	63,294,000
Linen and hemp tissues	22,692,000	18,952,000	14,467,000
Woolen yarn	19,479,000	15,223,000	12,589,000
Cotton yarn	2,395,000	1,881,000	1,694,000

	1864. francs.	1863. francs.	1862. francs.
Linen and hemp yarn	28,403,000	26,615,000	3,127,000
Prepared skins	61,763,000	51,928,000	38,866,000
Felt hats	10,088,000	7,882,000	5,474,000
Machinery	9,520,000	7,535,000	8,332,000
Cutlery	2,391,000	2,371,000	2,232,000
Arms	7,198,000	11,361,000	15,080,000
Tools and other articles in metal.	44,869,000	43,714,000	41,877,000
Turnery, toys, buttons	174,752,000	146,732,000	130,559,000
Millinery and artificial flowers	18,189,000	12,261,000	7,623,000
Furniture	20,461,000	13,603,000	10,830,000
Ready-made clothes and linen	111,640,000	82,654,000	94,712,000
Parisian articles	4,892,000	3,767,000	2,723,000
Books, engravings, &c	20.190,000	19,096,000	18,468,000
Paper and pasteboard	18,557,000	17,799,000	14,774,000
Pottery and porcelain	11,348,000	10,723,000	9,591,000
Looking glasses	4,797,000	3,762,000	3,102,000
Glass and crystal	16,184,000	13,887,000	12,299,000
Wines	252,904,000	229,788,000	210,000,000
Spirits	79,856,000	66,832,000	59,327,000
Perfumery	15,529,000	14,656,000	12,952,000
Soap	7,930,000	8,304,000	6,089,000
Refined sugar	67,126,000	76,552,000	50,635,000
Beet-root raw sugar	6,238,000	7,297,000	5,443,000
Copper	7,694,000	4,331,000	3,184,000
Coal	4,360,000	3,680,000	3,021,000
Hops	1,099,000	4,090,000	2,443,000
Rags	10,810,000	9,041,000	2,289,000
Cotton*	57,357,000	52,168,000	41,262,000
Rosin	36,078,000	36,040,000	20,564,000
Butter	40,550,000	32,382,000	28,969,000
Wool	53,866,000	48,156,000	45,103,000
Silk	89,014,000	96,166,000	49,786,000
Horses	15,189,000	7,376,000	5,938,000
Cattle	23,325,000	18,887,000	18,076,000
Corn and wheat	56,850,000	48,486,000	41,768,000
Articles in leather and skin	91,459,000	78,545,000	65,801,000

* This article is here counted as a French production because import duty was paid on it.

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David Lloyd

THE

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AND

COMMERCIAL REVIEW.

JUNE, 1865.

JACOB LITTLE.

By Matthew Hale Smith.

Heated, throbbing, excited New York found time to stop one half hour and adopt resolutions to the memory of Jacob Little. Perhaps it may find time to profit by the lessons that life teaches. A few years ago Mr. Little was the autocrat of Wall Street. He was king of the Stock Board. Men took off their hats as he passed. They would have bowed down to him if he had desired it, as the faithful did to the golden image on the Plain of Dura. He originated the bold and dashing style of business by which fortunes are made and lost in a day. He was known as the *Ursa Major*, the Great Bear of Wall Street. He held on to it till it led him to an untold fortune, and hurled him down at the last, as it has hurled down before many a strong man. No one has brought to that line of business more ability; no one has followed it with different results.

MR. LITTLE'S EARLY HOME.

Newburyport, in the State of Massachusetts, was the birth-place of Jacob Little. He descended from the line founded by George Little, who in 1640 came from England and cast his lot with the infant colony of Newbury, and who obtained a grant of land which still remains in the family. Members of the household in a direct line have ploughed, sowed, and reaped the same hardy soil till the present time. The old homestead in which Jacob Little was born is still standing. Here resides the only remaining member of the family, Miss Hannah Little, a lady noted in her circle for her intellectual culture and her religious worth. Thrift, forecast, and industry distinguished the ancestry of Mr. Little. The archives of the family are stored with precious relics of the patriotism of the founders of the line. Among the bravest and truest of those who offered treasure and blood to give America a place among the nations, the Little's were found. The times demanded courage, sacrifice, and

lofty patriotism. The inmates of the Newbury homestead responded to the call, and laid all that they held dear on the national altar. Those able to bear arms fought at Lexington, Bunker Hill, Trenton, and Princeton. The velvet coat worn at the battle of Bunker Hill, June, '75, sprinkled with the blood of the wounded and dying in that terrible struggle, is preserved in the family to this day.

JACOB LITTLE was born in the year 1797. His father, JACOB LITTLE, was a man of large wealth and distinction. But disaster, that comes sooner or later to nearly every mercantile house, swept away his property, and the war of 1812 nearly completed his financial ruin. JACOB inherited from his ancestry a sound constitution, good principles, and indomitable energy. His native place was too limited a field for his enterprise, and he looked abroad for some spot on which he could plant himself and make his mark.

THE GREAT CITY.

The old adage that "God made the country and man made the town," is as false as it is trite. The city no less than the country was made by the Almighty. The talent, the wealth, and the ability of the nation concentrates in the city. The fountains of benevolence and religion that send out their blessed streams to fertilize the arid plains and cause the wilderness to blossom as the rose, are located among the habitations of men, "whose merchants are princes, whose traffickers are the honorable of the earth." The most elegant churches, richest congregations, learned and eloquent preachers, the ablest lawyers, shrewed, energetic, far-seeing, and talented merchants, are attracted to the city, and find scope for their ability. A city is bad only because men are bad. Evil men bring their talent and ability to the city, and find scope and security in the multitude of its people. The larger the city the more desperate is crime. In it, it locates its head-quarters, and reduces vice to a system,—marshals its talent and sends out its ramifications to all parts of the land and over the seas. The crime of England is concentrated in London. Barracades in Paris touch public security and personal safety in the remotest provinces of France. Crime committed in Turkey, and in distant islands of the sea, often has its origin in the dark recesses and hidden chambers of London or New York. But no man need be ruined in the city any more than in the country. All depends upon one's-self—on the motives that bring him to the city—the style of business he chooses to adopt—and the spirit that distinguishes him in his calling. Take the case of a young man, who is the son of a New England farmer. The great lesson of his life has been, that idleness is a sin, and that the chief end of man is hard work. The maxims of FRANKLIN that "time is money," that he "must either hold or drive the plough," that "a pin a day is a groat a year," has been drilled into him from his earliest slumbers. He has known toil and seen toil from his earliest childhood. All flowers, paintings, recreations, were driven from the homestead like famine. His father bent his back to daily toil like a beast of burden. His mother drudged her life away like a galley slave. His sisters were hewers of wood and drawers of water. The only prospect before him was the long dreary and beaten path of toil, till he should reach the turn when the weary are at rest. Such an one is visited by a country cousin from the city, who with his fine clothes and brass

jewelry, white hands and glib tongue, quite unsettles the plough boy—disgusts him with farming—haunts his sleep with the gain to be had in a city—makes him resolve that he will delve no longer, but will seek his fortune amid the attractions of the city; and, having secured wealth, will return, buy the old homestead, give his father and mother a green old age, and make them glad that one child had enterprise enough to lift the mortgage from the farm and the burden from their backs. One of the most touching incidents in the life of Mr. WEBSTER is the conversation between him and his father, held in the hay field south of the old homestead at Salsbury. DANIEL and his father were getting in the crop of hay. While at work, a well dressed man on horseback rode into the field and held some conversation with DANIEL's father. On his departure, Mr. WEBSTER said to his son, "DANIEL, that man was once a hard-working farmer. He is now a member of Congress. If I had been educated, as he has been, I should have gone to Congress in his place, and been saved this hard work. You shall have an education. We are poor, my son, but your mother and I have decided to mortgage our farm and send you to college. We shall never be the poorer for it, and you and EZEKIEL will take care of us when we are old." That touching sacrifice was never forgotten. Nobly did the boys repay that confidence in after years.

It was not to escape toil that Mr. LITTLE sought the great city of New York. He knew something of the city. His father as a merchant had transacted business with the leading men of New York. He was well acquainted with the renowned JACOB BARKER, then one of the leading merchants of the city, and it was easy for him to put his son in connection with the great merchant. In the year 1817 JACOB took leave of his native town and entered the counting house of JACOB BARKER on South Street, where his business career commenced. He at once became a favorite with that shrewd and successful merchant. Under his vigilant eye, Mr. LITTLE laid well and truly the foundation of his great career. He was shrewd, intelligent, industrious, energetic, and honest. He had great tact, and the quick eye of Mr. BARKER detected and brought out his talent and aptitude for business. His home culture, and the tuition under Mr. BARKER, enabled him to escape the two great sources of commercial ruin—an insane haste to be rich, and the mistake in the selection of business. Many shipwreck their prospects by the notion that they have a fortune to make, and must be about it. They look upon the few who have been made suddenly rich, and heed not the thousands who have missed the prize, who, like petrified LOT's wives, stud the pathway along which the eager runners press toward the goal. By such, business is selected for immediate gain. To one seeking a fortune in the city, two kinds of business are presented, the bad and the good. The one pays well at the start, the other pays nothing. It is difficult to get into a bank or insurance office—into a first-class mercantile or mechanical house. If an opening exists, the pay is small; perhaps a bonus is demanded for the position. One must enter, if he enters at all, as a menial. Do the low and servile work, climb up the narrow and dusty height with struggle and toil, working hard on small pay, with a hope, at some future time, of taking a place among the merchants of the land. On the other hand, bad, disreputable, doubtful business is open to a frank, honest lad. Pay is immediate and generous, and if he has a dash of piety it is all the better. If one goes into a city to

obtain reputation and character he will select the business that will be permanent, and give him enduring success. But if he has a fortune to make and must be about it, if he takes the first thing that offers until something better turns up, he will find himself tainted for life. He has touched pitch and is defiled. Neither the dazzling glitter of sudden fortune, nor the temptation of wayward business led Mr. LITTLE astray. He entered as a subordinate into the office of Mr. BARKER, and remained five years in his service. The heart of his employer confided in him. He made himself master of the business in all its detail, gained the confidence of the community, and by his integrity and ability laid the foundation for his permanent success.

MR. LITTLE AS A BROKER.

Having completed his financial education with Mr. BARKER, in 1822, he selected a small basement office in Wall Street, and commenced business on his own account as an exchange specie broker. Caution, industry, and self-reliance were his characteristics. Those who look at Mr. LITTLE as the great speculator—walking as king on change, and rolling up a fortune counted by hundreds of thousands, and even millions—overlook the years of patient toil and endurance through which he passed to obtain his great elevation and make his name famous in the land. They omit the twelve years of devotion to business, when unknown to fame he struggled for a foremost place in the mercantile world—working eighteen hours a day in his little office—devoting his evenings to the purchase from retail houses of uncurrent money which they could spare—earning the reputation of an energetic, honest, business man—promptly and shrewdly executing all orders—carrying on a correspondence reaching from Boston to New Orleans—and by indomitable industry and talent rising gradually to be the great rival of the leading financiers of Wall Street.

Mr. LITTLE's career is another illustration of the truth that permanent business success attends only on indomitable industry and unswerving integrity. Our national and mercantile character has been molded on these two principles joined with religion. Men who barter the solid ground for the mirage, substantial business for the glittering morass, are men who allow the hands on the dial plate to stand still while they grasp at shadows. WASHINGTON the surveyor, HANCOCK the successful merchant, SHERMAN the shoemaker, HAMILTON and ADAMS the lawyers, and FRANKLIN the printer, came from honest and successful business to mould the nation. And those who would take the places of the fathers must catch their spirit. Early in life usually, the bent of a lad will be seen. In a family of several boys the taste and talent will develop themselves. If a boy is shrewd in trading knives and marbles, he is regarded as fit to be a merchant. If he is sharp, and outwits his playmates, he is sent to the bar. If he is restless and hard to control, he will probably run away and go to sea. If he is good, and not available for anything else, he will be sent to college and make a minister. In a country like ours, it is hard to keep a boy of energy down. WEST, in a family of Quakers, who considered the fine arts a sin, became an artist, taking his brush from the tail of a favorite cat, his paint from the soot of the chimney, and, drawing like life the baby gem of the family, extorted a kiss of praise from his Quaker mother. FERGUSON mapped out the heavens on a side of leather,

on which he was working, with his awl. A small tray, a watch glass, a pair of cheap balances, and a blow pipe was the laboratory in which commenced the labors of the great philosopher Dr. Woolston. A barn-door and a stick were the canvas and brush which laid the foundation of the great fame of Wilkie. A kite, a bit of thread, two sticks and a silk handkerchief enabled Franklin to make a discovery which has since given us the telegraph. Watts blew up his mother's silver tea-kettle, on the table, in his attempts to make a miniature steam-engine, and an old syringe was his first steam-boiler.

No man can doubt that Mr. Little made the right selection when he commenced his business as a financier. His success was due no less to his integrity than to his talent. He did not adopt the motto that "all is fair in trade," or that he was as "honest as the times will allow." Had he done so, he would long ago have been bankrupt in fortune and character. The morality of such maxims I will not discuss. All history shows that they are fatal to success. A man might as well steer his bark in a dark and stormy night, in a dangerous and treacherous sea, by a lantern on his bowsprit, as to guide his commercial bark by anything but the unerring index of integrity, or the fixed lighthouse of commercial principle. I do not deny a measure of success to men who take their chances in business without regard to character or principle. But permanent success attends only on high moral principle. Shysters and knaves at the bar are not trusted with the lucrative practice of the profession. Quack doctors, with few exceptions, and men whose "sands of life are almost run out," dwell in portions of the city where reputable people do not choose to call. Men who have reached the age of thirty years can count on their fingers successful names which have outrode the commercial disasters for a quarter of a century. The few permanent houses are as well distinguished for their honor as for mercantile success. The man who began business in a little shanty on Broadway, and lived in chambers on Hudson Street, has risen to be the autocrat of merchants, and to count his fortune at the high figure of thirty million. The simple rule he adopted was to attend personally to his own business, and to give the purchaser the exact article that he bought. If he paid for a first rate or a second rate article he would find the exact purchase upon getting home. Around the business portions of New York, on any fair day, can be seen a man doing a little brokerage, who once represented the most respectable house in the country, and whose social and financial position was unequalled. He inherited the name and fortune of a house which America delighted to honor. That house was founded by two lads, who left their country home with their worldly effects tied in a handkerchief, but with the rich boon of a mother's blessing and prayers on their heads. They began business in the smallest way. They laid deep the foundation of commercial integrity. They rose slowly but surely on that solid foundation, till their names were known and honored in all portions of the civilized world, and their credit was as extensive as our commerce. They poured out their wealth in donations large as the seas. Education, humanity, and religion blessed them for their munificence. The poor and lowly were never turned empty away. They died, leaving a colossal fortune, and a name without a stain. They died and left their repute and wealth to another who accepted the legacy, but did not heed the principles on which it had been

gathered. In a short period he stained the name that for fifty years had been untarnished. He fled from his home under an assumed name. He dragged down the innocent with him in his fall. He skulked about from place to place, till at length he ventured back. Men were too kind to harm him. Those whom he had befriended in the days of his prosperity help him in the little brokerage that gives him bread. It is a sad sight to see the wreck of a man in the prime of life. But it teaches the lesson that integrity and success, like mercy and truth, walk hand in hand.

A granite store was built in Boston and filled with goods from the cellar to the rafters. It had a strong fair show—was full of valuable merchandise, and the builder said it "would stand if filled with pig lead." One day, in the midst of business, the floors gave way, carrying everything down into the cellar, the inmates barely escaping with their lives. Deep down among the foundations, under an important pillar, an unfaithful workman had put an imperfect stone. The exact pressure came; it gave way; and the wreck was complete. So it is with character. No matter how fair the outside, if the foundations are not strong, the exact temptation will come, and ruin will follow. No man understood this better than Mr. LITTLE. He was an honest man. Integrity was the polar star of his business life, quickening him while he acted, cheering him in his decline, leaving an inheritance better than rubies to those who shall bear, or cherish, his name.

SUCCESS AS A FINANCIER.

In 1834, Mr. LITTLE stood at the head of the leading financiers and bankers of the city. His office was in the old Exchange Building in Wall Street. His reputation as an honest, energetic, and successful broker was firmly established. For more than a quarter of a century, in stocks and money, his tread was that of a king. He could sway and agitate the whole street at his pleasure. His dealings were rapid, prompt, and made with good judgment. He devoted more hours to his business than any other man in the city. His gains at times were vast, reaching in some years the high point of two hundred thousand dollars. He moved steadily on to a position among the millionaires. He controlled large amounts of stock and money, and was known as the "NAPOLEON of the Board." His foresight induced him early to turn his attention to railroads. The capitalists of the city did not at that time comprehend the raising of funds for their construction. He placed himself at the head of the railroad movement. Fortune attended him, and he was known as the "Railway King." When this business was overdone, he was among the first to discover it, and changed his course. One incident will illustrate his tact. The Erie Railroad stock was a favorite investment, and, at that time, was selling at par. He threw himself against the street. He contracted to sell short a large amount of Erie to be delivered at a future day. The brokers and bankers, envious at Mr. LITTLE's success, determined to floor him. They entered into a combination. They took all the contracts he offered, and, by compact, agreed not to sell a share. All the loose stock was tied up by the conspirators and out of his reach. His ruin seemed inevitable. His enemies had both his contracts and the stock. Mr. LITTLE saw the plot and his way out of it. He kept his own secrets. The day of delivery arrived, and before two o'clock he must deliver or break. His

dilemma was generally known, and the public waited anxiously for the results. He came down to his office on that morning apparently more self-reliant and calm than usual. His aspect was cool. His greetings pleasant. One hour before the fatal two o'clock arrived, Mr. LITTLE presented himself at the office of the Erie Railroad Company, holding in his hands certain certificates of indebtedness issued by the corporation. He demanded the new stock which by those certificates they had covenanted to issue in exchange. The covenant was unequivocal. The scrip was made out—the stock delivered in due time—the conspiritors overwhelmed, and Mr. LITTLE triumphed.

BUSINESS REVERSES.

Nothing is more striking or more sad than the commercial reverses that are so common in the great marts of trade. Reverses and failures come like tempests and hail storms which threaten every man's home, and cut down the harvest ready for the sickle. One mercantile house in this city is a sort of hospital for reduced merchants. Over twenty men are employed as salesmen on a salary, who a few years ago commanded a fortune —whose families lived in style, and gave law to fashion. The treacherous sea of mercantile life engulfed their vessels with the richly laden freights, they escaping by the masts and spars thrown to them by more fortunate adventurers. One of the rocks on which men strike is joining outside speculation with legitimate business. Because a man is successful as a dry goods merchant, he imagines that he can be equally successful in stocks. One is at the head of the bar, he aspires to lead the stock board. A broker dabbles a little in real estate. Hundreds of men who have made a fortune by tact, diligence, and shrewdness, not content to go along well, have dashed into speculation and became penniless. However wise or prudent, shrewd or gifted with forecast, a man may be, however large his fortune or well invested, if he is a speculator he cannot be sure that commercial disaster will not overtake him. In the staid and careful city of Boston it is estimated, on good authority, that ninety-nine out of every hundred fail wholly, or suspend business. It is said that property there has never, or rarely ever, descended to the third generation. Mr. LITTLE did not escape. Many times, before reverse overtook him, or his credit was in any manner shaken, he could have retired a millionaire. He could have enjoyed the honor of having been the architect of his own fortune, and of raising himself from a penniless boy to be a prince among monied men. By observing the law of success he had reached the high pinnacle on which he stood. He ventured all on the treacherous sea of speculation, and more than once all was swept away. To gain wealth is one thing; to keep it is another. A man may climb to the main truck, who cannot keep his footing after he has gained that giddy elevation. Many a ship, through the skilfulness of her pilots, has weathered the gale, and then rolled her masts overboard in a calm. Travelers have returned, unscathed, from the home of the plague, and, by imprudence, have died amid the bracing air of their mountain home. If one would see how fortunes are lost in New York, let him walk down where bankers and brokers most do congregate, and look at the wild, desperate, and reckless spirit that marks the transactions in stocks and gold. Once this business was in the hands of the most reputable and substantial of our citizens.

The present mode of doing things has thrown to the surface a new set of men, who know no hours and no rules—who fill up the streets till it is impassable for teams. Who yell and scream like mad men, and can be heard for blocks. A reckless style of living, extravagance, and dissipation is the handmaid of wild speculation. No gamblers are more desperate than many dealers in stocks, or more suddenly destroyed. Romance cannot equal the reality of reverses in New York. One afternoon, Mr. LITTLE was walking through Union Square. He casually remarked: "I have lost money enough to-day to buy this whole Square. Yes," he added, "and half the people in it." He gained hundreds of thousands, and then lost hundreds of thousands in a day. It is no uncommon thing for a millionaire to leave his palatial home in the morning, and return at night crushed and ruined. His elegant equipage, in which his bejeweled wife and proud daughters whirled the dust of the Park in the eyes of well-to-do citizens, is sold. The lordly mansion is abandoned to a more fortunate speculator. The gay family disappear from the fashionable soiree. The lofty merchant with a fallen crest appears on the outskirts of the Curbstone Board, and borrows a few dollars to commence anew the struggle for position and fortune. Men who sow to the wind must reap the whirlwind. Thrice Mr. LITTLE was carried down, but he never was dishonored. He recovered himself, paid up his contracts to the full, so that it was a common saying among monied men that "JACOB LITTLE'S suspended paper was better than the checks of most merchants." He closed his long career without a stain upon his mercantile reputation.

MR. LITTLE AND THE TELEGRAPH.

In 1847, Prof. MORSE sought to form a stock company, and to open a telegraph line between New York and Boston. Few capitalists had confidence in the new system. Mr. LITTLE was asked to take stock, as the telegraph lines would soon become the great opposition to the United States mail. Not a dollar would Mr. LITTLE invest, though he offered a donation of a $100. It is not singular that he had so little confidence in the telegraph. When the line between Baltimore and Washington was in working order, a gentleman from New York called upon Mr. SPENCER, the Secretary of the Treasury. In speaking of the new system of communication, Mr. SPENCER asked the gentleman "how large a bundle could be sent over the wires to Baltimore." Intimating that if successful the mail would be sent on that line. The intelligent Secretary not having the least idea of the manner in which the messages were sent from one point to another. Many years after the application to invest had been refused by Mr. LITTLE, he admitted that had he accepted the proposition he would have owned nearly all the telegraph lines of the country.

PERSONAL HABITS.

Mr. LITTLE was married in 1844. His home was peculiarly happy. However the storm might beat without, he found a warm welcome and genial spirits at his own fireside. His personal appearance was commanding. He was tall, with a clear, expressive eye, a genial expression, with a face that indicated talent, and inspired confidence. He was reserved in his manner, but it was the reserve of strength and not of diffidence. As a creditor he was most liberal. His settlements were generous. If a man

could not meet his contracts, and Mr. LITTLE was satisfied of his honesty, he discharged the debt. With himself he was severe. On his first suspension, though legally free from liability, he disbursed nearly a million of dollars—paying every creditor in full with interest. His charities were discriminating and large, though unostentatious. He was a true patriot. The Southern rebellion swept away much of his fortune. Yet, without a murmur, he laid it on the altar of his country. He loved the home of his childhood, and wished to close his eyes amid the scenes so familiar to his youth. In private life he was social and hospitable. He had a humane and liberal heart. A devout member of the Episcopal Church, his Christian charity was bounded by the limits of no sect.

HIS DEATH.

His last hours were characterized by a gentle and patient spirit. His sufferings were severe. No murmur or complaint escaped his lips. He cast himself on God, and waited patiently for the great change. He retained his cheerfulness and consciousness to the last. An hour before his death he took an affectionate leave of those he loved best on earth—threw up his hands exclaiming, "I am going up, who will go with me?" He closed his eyes. He fell gently asleep to awake not till the heavens be no more. The news of his death startled the great city. He had been long one of its most remarkable men. Merchants congregated to do him honor. Resolutions of enduring respect were adopted, and the Stock Board adjourned to attend his funeral. He was borne to his burial with all honor. The solemn cermonies of the Episcopal Church were performed over his body. The noblest men of our city honored his memory with their presence. After the services at Grace Church, while the pealing organ sent forth the plaintive strains of the Dead March in Saul, the body was conveyed to the hearse, thence to Greenwood, where it was committed to the tomb—"Earth to earth, ashes to ashes, dust to dust—to repose till death shall be swallowed up in victory."

NATIONAL DEBT AND RESOURCES.

BY T. M.

The mighty struggle which our people have maintained for four years, for the re-establishment of the Union, having gloriously ended in complete success, the time has come when we may safely relax that absorbing attention to the actual conflict which has so long kept us from watching, with sufficient care, the question of ways and means connected with it. Hitherto it has mattered very little how things went, so long as the issue of the war was in the least degree doubtful. Every consideration of prudence was held of little value, so long as the Union was imperilled. But the great blow has been struck; the bogus Confederacy is no more; our soldiers are marching homeward; and as it was our duty to provide for them while in the field, so now it is our duty to pay regard to their welfare when they have returned home.

If during the progress of the struggle, there were hearts which felt faint at the prospect of success, if there were doubters who saw in the many petty checks we met, auguries of ultimate defeat, and if to make success doubly assured, even such pecuniary aid as they could contribute was desirable; then to throw upon the question of public finance such a *coleur de rose* that the Treasury might be always kept filled, and the public expenditures always promptly met, were but a venial fault. The most severe casuist will admit that to encourage the hopeless, by over estimating their ability to conquer difficulties, is a sin which may well be pardoned. The fallibility of human confidence in ultimate results excuses its commission. It is characteristic of the non-mechanical nature of our impulses that they should find their main-spring less in reason than in hope.

But a time must arrive when the excuse no longer holds good; when the struggle, having ended, it becomes a duty to know how much it has cost, and what train of consequences it has evoked. In regard to the struggle in which we have been engaged, this time has arrived. The fight is done: it now becomes our duty to scrutinize with every possible severity, not only what it has cost, but what it may yet cost. In regard to the social and political changes occasioned by the war, and which may yet grow out of the war, we have nothing here to say. We propose to occupy ourselves solely with the question of ways and means.

CAN THE WAR DEBT BE PAID?

First of all is the question of the war debt. People fancy that the war debt is a sum representing an expenditure which it is in our power either to pay now or to saddle upon posterity. The war debt *is* paid. The Government owes nothing for the war. The entire cost of the war has been defrayed; just as much so as when, having paid for this volume with a bank note, the cost of the volume has been defrayed, provided the seller is satisfied with the note when he takes it, no matter if afterwards the bank note should prove to be good or bad. In plain words, the entire waste occasioned by the war, the material destroyed, the Government clothing,

and the Government food consumed by the soldiers and sailors, the bounties and wages paid to them, even to the cities burned, the vessels destroyed, and the farms trodden down—all this has already come out of the public capital of the whole country, which was saved up before the war, and never can come out of it again. And it could not be otherwise. No war can be supported any longer than this capital lasts, (unless through international loans,) and when this capital is exhausted, war must stop.

But as this capital, in our case, has not been contributed in equal proportions by every member of the community—as some, for instance, contributed more than others—the result is that a large number of our people are in debt; not in debt to the Government, but in debt to those who contributed *more* than their due share of the waste occasioned by war. To say that this debt cannot be paid is absurd. Unless through international loans, which are now-a-days happily in little repute, no people can possibly contract a debt which they cannot pay, any more than any number of parts can aggregate more than the whole from which they were taken.

IN FREEDOM DO WE FIND SECURITY.

But to pay a national debt it is necessary, first, that the nation should hold together; and, next, that those who owe the debt shall be compelled to pay it to those to whom it is owing. It is the interest of the creditor class to maintain both a united government and a strong government; and, as we shall presently see, the best way to attain these ends is to remove restriction and promote the greatest amount of freedom.

HOW THE DEBT MAY BE PAID.

The debt may be paid either at once, or by instalments, or by means of a perpetual annuity. The first plan would necessitate the immediate and entire impoverishment of every person of moderate means in the country. The amount of money, merchandise, lands, and even food and clothing, which would have to be paid alike by every one, would fall but lightly upon those who had plenty to spare, but would plunge the poor, who form the large majority of the people, into instant and severe distress. This plan is, therefore, clearly impracticable. To pay by instalments would be almost as bad, provided the last instalment fell within any reasonable period of time, because not only the instalments, but interest too, would have to be regularly met. If we regard the social consequences which flow from interminable indebtedness, to pay by instalments would seem to be the best plan after all. But we are here merely looking at the question of ways and means.

To pay by means of a perpetual annuity is the easiest way of all, and this is the shape in which the Government has seen fit to place the debt. The whole people are required to pay every year so much per head in the form of taxes. These yearly taxes are then paid over to the creditor class as yearly instalments of the perpetual annuity due to them. Next year, and so on following, the same plan is pursued over and over. Thus, by paying a little in the shape of taxes every year, the debtors escape paying the principal of the debt to the creditors, and the latter enjoy what to them is even more desirable than the payment of the principal—namely,

a yearly income; in other words, an interest annuity, which is due once a year for ever.

HOW MUCH IS THE DEBT?

So much by way of preliminary. We have seen what a national debt is—that it is a sum which, if engendered by war, represents more or less the amount of material destroyed, and which material was contributed by a creditor class, who by means of taxation are to be repaid by a debtor class. The sum of this debt is, in our case, represented in a statement lately made by Mr. JAY COOKE, to be altogether about $3,000,000,000. Assuming this statement to be correct, let us see what Mr. COOKE says about it.

SHALL THE DEBTORS PAY SEVEN PER CENT PER ANNUM TO THE CREDITORS?

Mr. COOKE, after assuming that the entire debt is $3,000,000,000, which sum, he believes, covers all the diminution of the national capital occasioned by the war, contends that the national capital, through the profits made since 1860, is greater now then it was then. Consequently, the debtor class can fully afford to pay the debt to the creditor class; and not only this, but that they can afford to pay at the rate of seven per cent per annum. And to support this view, he adduces column upon column of figures representing resources of taxation, comparative wealth, yearly profits, etc., etc.

If those whose toil and sweat will in future years have to yield the taxes from which this seven per cent per annum is to be raised, could come forward and subscribe to the seven-thirty loan to an extent which would counterbalance their share of the general indebtedness, we should cordially second Mr. COOKE's efforts to place the loan; and, indeed, we do so to the extent that it falls into the hands of the people, and trust that the masses will take all of it that they can afford to take without unduly cramping their scanty resources. But we fear that the right to demand sufficient of the annual produce of this country to pay seven-thirty per cent per annum on the six or seven hundred millions of dollars lately thrown on the market, will be monopolized by the rich, by shoddy contractors, by purveyors and suttlers, and army followers, and the legion of knaves who have suddenly grown rich by the war, and fattened upon the general distress which it entailed. For this reason we oppose a high rate of interest, and favor a low one. If Mr. COOKE's figures were correct, it would matter very little what rate of interest we paid, since, according to his showing, we are abundantly able to pay almost any rate of interest; but we think that he has rested his case too much upon mere figures, and that he has lost sight of the true foundation upon which rests the accumulation of national wealth. Consequently, though by his figures he shows that we are netting profits enough every year not only to pay the high rate of interest he names, but to pay even a higher one, we still think that this is not the case, and shall proceed to expose what we deem to be his error.

HOW WE STOOD BEFORE THE WAR.

In 1850, according to the census figures, the total capital employed in this country was $7,135,780,228. In 1860 it was $16,159,616,068. The

increase in ten years was therefore $8,925,481,101, or 126$\frac{45}{100}$ per cent. This is equal to about 8½ per cent per annum, compounded. If this capital had remained untouched, and the same rate of profit continued to be earned, the following would have been the aggregate capital remaining in the country in 1900. The figures are roughly calculated:

Year.	Rate of decennial increase.	Capital.
1860	126 45 per cent	$16,159,616,068
1870	" "	36,000,000,000
1880	" "	85,000,000,000
1890	" "	200,000,000,000
1900	" "	550,000,000,000

HAS THE CAPITAL REMAINED UNTOUCHED.

But the capital has *not* remained untouched. In the first place, $6,000,000,000 has been sunk by the war. Thus:

The amount of our debt, according to official estimates, is	$3,000,000,000
Of this, probably not over two-thirds represents capital destroyed or put into unproductive shape, as into arms, cannon, men-of-war, etc. —the remainder has only changed owners, therefore deduct ⅓, or,	1,000,000,000
Total destruction of capital in the North	$2,000,000,000
Say an equal amount in the South	$2,000,000,000
Add for cities, ships, and other improvements burned or otherwise destroyed by act of war, an equal amount, or	2,000,000,000
We thus have a grand total decrease of capital from the figures of 1860 of	$6,000,000,000

This is only our private estimate, it is true, and we wish, to satisfy the reader, that it could be verified by official figures, but this is at least, for the present, impossible. We consider the estimate low—very low; but every reader must judge for himself. The havoc that four years of continued warfare has produced in this country, can only be appreciated when the evidences of it which yet remain can be seen with the observer's own eyes. This sum of $6,000,000,000 of capital, taken from the capital invested in this country in 1860, would leave but $10,150,616,068, but as it was not taken in 1860, but was taken from time to time during the four years and a-half following, we are disposed to believe that another thousand millions would be but fair as representing the saving which resulted from a gradual, instead of an immediate, destruction of the $6,000,000,000. This would leave, as a basis of calculation, a capital in 1860 of $11,159,616,068.

FOREIGN CAPITAL WITHDRAWN.

But how much of this has remained in the country during the war? A large portion of it was owned abroad, and when the war broke out, an enormous mass of wealth was sent to the rich countries of Europe, the capitalists of which owned it, and who, being fearful of its security, withdrew it. The withdrawal of this capital was manifested in the large exports from this country of gold and merchandise, the return of stocks, bonds, mortgages, notes, bills of exchange, and other evidences of indebtedness, and the great depreciation of the latter as well as of merchandise

and every description of property in our own markets. Precisely the same thing occurred in the South. The entire railways of the country are largely owned in England.

To what extent, then, was foreign capital withdrawn from the whole country? This question it is impossible to answer. Did we know the exact imports and exports of the whole country during the war, it were an easy task to do so; but this is unfortunately not the case. We are ignorant of the facts; we are also ignorant of the foreign business transacted at the South both on private and government account. Finally, we are ignorant of the value of the importations made even at the North on government account. The Government has no more seen fit to vouchsafe us that information, than the rebel government has seen fit to do the same thing at the South. Therefore, all answer to this important question is, at least for the present, left entirely in the dark.

FOREIGN CAPITAL ADDED.

It is undoubtedly the fact that enormous amounts of foreign capital were withdrawn in the first dark and trying days of 1861 and 1862. But it is no less the fact that in the latter part of 1863, and in 1864 and 1865, other amounts equally, perhaps more enormous, have been added. Some $500,000,000 to $800,000,000 in United States bonds are now held by European capital, and, in addition to this, large amounts are invested in railway, bank, canal, insurance, telegraph, steamship, and manufacturing and mining companies' stocks, or granted by way of commercial credit. It is utterly impossible for any one to say what the aggregate is—so we shall not make the attempt, but it must be something enormous.

A THEOREM COOLY SOLVED.

Mr. JAY COOKE is, therefore, not quite correct when he assumes that "we have for June, 1865, a wealth of $16,112,000,000."

HAS THE SAME RATE OF PROFIT CONTINUED?

The annual net profits during the decade ending in 1860, were, as we have seen, about 8½ per cent per annum. Has this rate continued the same? Mr. COOKE assumes that it has, and that it will continue the same, with slight diminution, until the year 1881, and perhaps even longer. But this calculation is as entirely unwarranted as the other. The rate of profit depends upon the competition of capital, and this again depends upon freedom and security. Why does so much British capital come here for investment? Because it brings more profit here than in England. But why does it not all flow to Turkey, to China, to Africa, to South America, where the rate of profit is even higher than it is here? Because, under the governments prevailing in those countries, it is not so secure; and under the tyranny of despotic rulers, or that of anarchy, its freedom of action is circumscribed. Insecurity and restriction, therefore, drive it towards a lower rate of interest, and it comes to the United States. So sensitive is capital to the action of restrictive laws, that the least change in governmental measures will cause it, like the sensitive plant, either to expand or contract in a moment. If the rate of profit in this country, previous to the war, was 8½ per cent per annum, it is very easy to ascertain

what it has been since that date, by comparing the amount of political and commercial freedom and security which prevailed then, and that which has prevailed since. If we have enjoyed the same freedom as before, then the rate has remained the same. If we have enjoyed less, the rate has increased. But it should be remembered that an increased rate of accumulation is incompatible with new accessions of capital. Either no foreign capital must be added to our capital, or the estimated future rate of accumulation to our capital must be lowered.

Mr. JAY COOKE'S statements concerning the rate of profit are, therefore, not quite reliable, and we shall not be worth $550,000,000,000 in the year 1900.

A GUESS.

But some people like figures. They are better satisfied with a column of figures, even though they are told that the figures may be quite hypothetical, than they are with an argument well based. Reduced to figures, arguments are convincing because they are short. Let us, therefore, take a hint from Mr. COOKE, and see what figures will come of an argument based upon due consideration of all the facts in the case, as compared with those which he has adduced from the contemplation, a mere isolated phenomenon. Let us premise that but a very short time, say three years, will suffice for the people of this country to discover the real nature and bearing of the odious restrictions now placed upon finance and commerce, the insecurity of property occasioned by over-legislation, and the shackels placed upon enterprise by the many forms of monopoly which now prevail. From the time of making this discovery, let us suppose it takes twenty years of continued peace to effect the work of reform, and that there shall be, during that time, no marked change in the legislation of other countries. On this basis we may venture to make a rough guess as to the resources of the whole Union; not of the Northern States alone, as Mr. COOKE has done.

In 1860, the entire capital in the country was $16,000,000,000, of which say $2,000,000,000 was in slaves. The previous rate of increase was about 6 per cent per annum, reckoning the slaves as free men, or 8½ per cent, *reckoning them*, as Mr. JAY COOKE does, *as merchandise*. Counting the slaves free, this leaves the aggregate capital, in 1860, at $14,000,000,000. In that year, foreign capital began to take alarm and disappear from the country at a gradually accelerating rate, which culminated in 1863. Then it began to decrease until 1864, when it stopped. By the beginning of the present year, the movement was strongly the other way, and is still in progress. Its culminating point is difficult to determine, but if it has not already been reached, it probably soon will be, under the prevailing state of affairs. The rate of profit has meanwhile been larger than ever. During the early part of the war, it was probably as high as 10 or 12 per cent. It is now not over six. From 1861, to the present time, the war has continued to sink capital at the rate of about $1,250,000,000 per annum. Taking into consideration the deduction for the slave valuation of 1860, the double movement of capital, the sinking of capital by the war, and the varying rate of profit, we conclude that the entire capital invested in the thirty-five United States is, to-day, about $14,000,000,000, or precisely what it was in 1860, less the slave valuation.

RESOURCES OF THE UNITED STATES, NO. 1.

[All the following sums are stated in millions, except the per centages.]

Period.	Capital.	Average yearly accession of foreign capital.	Average yearly rate of net accumulation.	Increase of capital and profit at end of period.	Remarks.
1865-68....	14,000	2 per cent.	6 per cent.	3,630	Over Legislation.
1868-78....	17,630	3 "	5 "	22,130	Reform
1878-88....	39,760	3 "	4 "	39,240	Continued reform.
1888-98....	79,000	2 "	3 "	52,600	Stationary state of freedom and security, same being a little more perfect than elsewhere.
1898-1900..	131,600	1 "	2 "	43,866	
1900.....	175,466				

In the year 1900 the amount of capital invested in this country would thus be $175,466,000,000, or a sum so large that the payment of the interest on the national debt, by the debtor class to the creditor class, would be an insignificant bagatelle.

But we are here presuming upon many things which may not come to happen.

The tempest of over-legislation which is now upturning the very foundations of security in this country, the rage for protection, for oppressive taxes, for class priviledges, for confiscation, for power—all this may *not* blow over by the time we have calculated—namely, 1868.

Reform may *not* be inaugurated. And, if inaugurated, it may be a feeble and spasmodic species of reform, which would take longer than ten years to bring us up to, and enable us to overtake, that condition of freedom and security which the foremost nations of the world have meanwhile attained.

Let us reverse the picture. Let us say that the condition of affairs to-day *is* continued; that men with a minimum allowance of brains are continued to be appointed to public office; that passion and injustice shall rule the country; that five-and-thirty years hence our form of government, no matter what it may be in name, shall be as strong and as despotic as that of Turkey; that the very name of free trade shall be abhorred; and that commercial intercourse between this and Albany shall be as thoroughly tied up and *protected* as that between this and Europe now is. What then will be our condition?

Though California should yield mountains of pure gold, though petroleum should spout up from the earth in volumes that would shame Niagara itself, though coined money rained from the clouds as manna rained upon the Hebrews, though wealth of every kind sprang up upon every side to feast the greedy eye and water the longing lip, the nation will grow poorer and poorer, and finally lapse into a state, which, if compared to the progress made by other nations in the meantime, will closely resemble that which we now call barbarism.

Mr. JAY COOKE, before inserting in his statement a long account of the gold mines in California, and the petroleum wells in Pennsylvania, should have remembered that there are gold mines in Mexico and petroleum wells in India. Both these sources of wealth have been worked for hundreds of years; in the latter case for thousands. Yet are Mexico and India rich and powerful countries? Oh! Mr. COOKE, something more is wanted besides wealth to make men rich, and that something is freedom—freedom from injustice, freedom from restriction, and freedom from Government! But to the figures.

RESOURCES OF THE UNITED STATES, NO. 2.

[All the following sums are stated in millions, except the per centages.]

Period.	Capital.	Average yearly accession of foreign capital.	Average yearly rate of net accumulation.	Increase of capital and profit at end of period.	Remarks.
1865-68..	14,000	2 per cent.	6 per cent.	3,680	Over Legislation.
1868-78..	17,680	None.	7 „	17,000	Continued do.
		Capital yearly sent abroad.			
1878-88..	35,000	5 per cent.	8 „	12,000	Worse and worse.
				Decrease.	
1888-98..	47,000	10 „	9 „	12,000	Insecurity.
1898-1900	35,000	15 „	10 „	24,000	War, &c.
1900	11,000.				

Thus, in the year 1900, the amount of capital invested in the country would only be $11,000,000,000, or $3,000,000,000 less than it amounts to at the present time, and in spite of an increasing rate of net accumulation for every decade.

Alongside of the two statements, which are based respectively upon increased freedom and increased restraint, let us place Mr. JAY COOKE'S statement, which takes no account of these little inducements to the accretion of national wealth, or its contrary condition of dispersion towards countries where its use and possession is more unrestricted and more secure. Mr. COOKE bases his figures upon the assumption that capital has been, during the last five years, and is now, employed in this country with the same security—no more, no less—and the same freedom—no more, no less—that existed from 1850 to 1860, and that it will continue to enjoy the same security and freedom up to the year 1870. No allowance is made for the four years of war through which we have passed; of the present condition of the Southern States; of the terrorism which has prevailed in the North from time to time, and frightened capital to such an extent that gun-boats had to be stationed at the foot of Wall Street to protect the banks of this city; of the expatriation, voluntary and involuntary, of American citizens, from both North and South, and the removal of their wealth to other countries; of the many odious forms of monopoly generated by the legislation which has been introduced under the color of war necessity; and of the tabooing of capital from competition in the manufacture of wood screws, horse shoes, cut nails, cutlery, ironmongery, cotton textures, wooden ware, prepared food, spirits, cigars, and a thousand other departments of industry. No mention is made of those things, but the affairs of the country are figured up as though they went by clockwork, and the clock always pointed to just the time wanted.

MR. JAY COOKE'S STATEMENT.

[All the figures of the table express millions of dollars, except the column of dates and that of per centages.]

Year.	Wealth.	Annual product.	Annual interest.	Annual Revenue required.	An. Peace expenditures.	Per cent of annual Revenue to annual Product.
1865....	16,112	4,318	126	325	199	7.55 per cent.
1866....	17,428	4,635	148	348	200	7.42 per cent.
1867....	18,909	5,067	165	365	200	7.23 per cent.
1868 ...	20,516	5,498	165	365	200	6.63 per cent.
1869....4	22,260	5,965	165	365	200	6.11 per cent.
1870....	24,226	6,492	165	365	200	5.62 per cent.

Further comment upon these figures is useless. They bear about as much relation to truth as the day of the month does to the Chinese budget.

But from these various estimates the calculating reader will draw a conclusion which, more than any other, would appear to concern him most. Whether Mr. Cooke be right or wrong, whether the people of this country enjoy increasing freedom or suffer increasing restraint, it appears to be conceded in any event, unless war or some other unforseen calamity happens during the next ten years, that at least, for that period, the debtor class will be in a condition to pay the creditor class—in other words, that the National debt will be paid. True; but as to the value of this conclusion to the reader, much depends upon whether he belongs to the creditor or the debtor class. If to the former, the country may become another Turkey for all he cares, so long as he gets his seven-thirty per cent; if to the latter, he will be careful to reckon up the difference between the interest at seven-thirty on the one or two hundred dollar bond he is hoarding up, and the overplus which he will have to pay, in the shape of taxes, for ten years, in order to gratify the present inordinate whim of Government to pay seven-thirty per cent when any amount of money can be borrowed at six.

CONCLUSION.

As an evidence that the possible evils we have foreshadowed are not only not entirely groundless, but are, on the contrary, imminently threatening, we present our readers with two extracts, one from the Constitution of the United States (the bond of agreement between the governors and the governed), and the other from the very statement of Mr. Cooke which we have had under review.

Says the Constitution, Art. I., sec. ix., clause 5: "No tax or duty shall be laid on articles exported from *any* State."

Says Mr. Cooke: "*Additional Sources of Revenue—Export Duties.—An export duty upon the cotton, tobacco, and other staples of the reconstructed Union, for which we have the command of the world's markets, is not only an ultimate reliance but a near probability, and can be made to pay from* $60,000,000 *to* $100,000,000 *a year, without detriment to any American interest.*"

THE RECIPROCITY QUESTION.

TRADE BETWEEN CANADA AND THE UNITED STATES.

By William J. Patterson, Secretary of the Board of Trade, etc., of Montreal.*

The intent of the Reciprocity Treaty was not to increase the revenue of governments, on one side or another; as expressed in the preamble, the objects were, to settle a "misunderstanding" in regard to the extent of the right of fishing on the coasts of British North America, and to regulate trade and commerce, so as to be reciprocally beneficial and satisfactory. The terms of the Treaty are clear and specific. Vague generalities have been indulged in, about the unequal and invidious working of the measure. On the merits of the case, however, the argument of the Finance Minister (Hon. A. T. Galt,) published three years ago, is, in our opinion, unanswerable.

A table given on page 13 of the "Report of the Trade and Commerce of Montreal for 1863," showed that the business between Canada and the United States increased from $24,182,103 in 1854, to $40,236,887 in 1862, or 66⅔ per cent in eight years. In 1854, 38⅓ per cent of the whole imports of Canada were from the United States; the proportion having increased to 51¾ per cent in 1862. In 1862, Canada purchased goods valued at $25,173,157 from the United States; while the purchases by the United States from this Province amounted to only $15,063,730—turning the so-called "balance of trade" against Canada to the extent of $10,109,427. In that year, the United States bought $774,761 worth of dutiable goods from Canada; while Canada bought $6,128,783 worth of dutiable goods from the United States—a plain indication of the relative liberality of the tariffs of the two countries.

A table is given below, which shows that the average annual value of imports into Canada from the United States, during fourteen and a-half years, was 47¼ per cent of the entire imports into the Province from all parts of the world; the rate for nine years and a-half being 51¼ per cent.

But, to be more explicit. The following table shows the values of free goods purchased in the markets of the United States and imported into Canada, during fourteen years and a-half—the figures for 1864 being for first six months of that year. The last column indicates the proportion made free by the Reciprocity Treaty:

Calendar years.	Produce of United States.	Produce of other countries.	Totals.	Free, under Reciprocity Treaty.
1850.....	.....	.....	$791,129	.....
1851.....	.....	.....	1,384,030	.....
1852.....	.....	.....	864,690	.....
1853.....	.....	.....	1,125,565	.....
1854.....	$2,043,717	$40,040	2,083,757	.....
1855.....	8,829,472	549,732	9,379,204	$7,725,572
1856.....	10,190,336	131,591	10,321,935	8,082,821

* We received this article previous to its appearance in the Report of the Board of Trade of Montreal, but was unable to make room for it before.—Ed. *Hunt's Merchants' Magazine.*

1857.....	10,231,013	27,219	10,258,220	8,642,044
1858.....	6,920,239	212,797	7,133,036	5,564,615
1859.....	8,040,225	516,320	8,556,545	7,106,116
1860.....	8,197,374	549,425	8,746,799	7,069,098
1861.....	*11,052,718	806,729	*11,859,447	9,980,937
1862.....	*15,630,701	883,376	*16,514,077	14,430,626
1863.....	*13,517,376	965,911	*14,483,287	12,339,367
1864(½-year).....	*5,393,236	385,231	*5,778,467	4,875,630
			$109,280,188	$85,816,826

In this table, the items with an asterisk (*) prefixed do not include the coin and bullion imported; the amounts of which were: in 1861, $863,308; in 1862, $2,530,297; in 1863, $4,651,679; in first six months of 1864, $2,474,171.

The subjoined table gives the values of dutiable goods purchased in the markets of the United States, and imported into Canada, during fourteen and a-half years. The last column shows the value of dutiable goods coming into the Province through the United States, *in bond;* the amounts are not, of course, included in the column of totals:

Calendar years.	Produce of United States.	Produce of other countries.	Totals.	Passing through United States in bond.
1850.....	.....	.....	$5,803,732	.....
1851.....	.....	.....	6,981,735	.....
1852.....	.....	.....	7,613,000	.....
1853.....	.....	.....	10,656,582	.....
1854.....	$9,298,385	$4,150,956	13,449,341	$5,347,081
1855.....	7,438,428	4,017,044	11,449,472	4,463,774
1856.....	7,981,284	4,987,520	12,968,804	4,926,922
1857.....	6,203,313	3,763,118	9,966,431	5,582,644
1858.....	4,524,503	3,634,365	8,473,607	2,057,024
1859.....	4,200,826	4,835,545	9,036,371	4,546,491
1860.....	4,431,315	4,101,229	8,532,544	3,041,877
1861.....	4,225,400	4,121,283	8,346,683	5,688,952
1862.....	2,967,079	3,161,704	6,128,783	5,508,427
1863.....	2,118,706	1,855,690	3,974,396	6,172,463
1864(½-year).....	1,073,136	1,103,867	2,177,003	7,925,177
			$125,558,433	

The two preceding tables were collated from the trade and navigation reports of the Province, and show to how great an extent Canada has been a consumer of United States' goods.

An assertion has been made, that the effect of the Reciprocity Treaty has been to diminish the general volume of domestic exports from the United States to Canada. The importation into this Province of dutiable and free goods, the produce and manufacture of the United States, since the treaty came into operation, was as follows:

Calendar years.	Free goods.	Dutiable goods.	Total.
1855	$8,829,472	$7,438,428	$16,267,900
1856	10,190,336	7,981,284	18,171,620
1857	10,231,013	6,203,313	16,434,326
1858	6,920,239	4,524,503	11,444,742
1859	8,040,225	4,200,826	12,241,051
1860	8,197,374	4,431,315	12,628,689
1861	11,052,718	4,225,400	15,278,118
1862	15,630,701	2,967,079	18,597,780
1863	13,517,376	2,118,706	15,636,082
1864[half-year].....	7,867,407	1,070,067	8,937,474

Any person who looks candidly into these figures cannot fail to perceive the sudden decrease in 1858, and to attribute it to its real cause—the financial crisis of 1857; this view of the matter being confirmed by the fact that in 1858 the value of dutiable goods brought into Canada in bond through the United States, showed a decrease of 63 per cent as contrasted with the year preceding. The influence of that disastrous period was being recovered from, when civil war broke out in the United States—after and in consequence of which, an average increase in the importation of bonded goods into Canada commenced, stimulated by high tariffs and internal revenue imposts, which had become a necessity in the United States to meet its enormous war expenditure. It would, however, be most unreasonable to expect the trade of this Province with the United States to continue to be as great as heretofore, in view of this increased taxation, which has necessarily enhanced the prices of all commodities; the natural consequence has been to constrain Canadian merchants, for a time, to seek other, because cheaper, markets.

The following table is compiled from Canadian Trade and Navigation Reports,* and indicates the entire volume of trade between the two countries, specifying dutiable and free goods, and including coin and bullion in 1861 to 1864, omitted in a preceding table. It may be stated also, that the exports, both dutiable and free, were the produce and manufacture of Canada—the official returns not including grain or flour, the growth or produce of the United States:

Calendar years.	Duty-paying goods. Imported from United States.	Duty-paying goods. Exported to United States.	Free goods. Imported from United States.	Free goods. Exported to United States.
1850	$5,803,732	$3,950,401	$791,129	$1,000,758
1851	6,981,735	3,816,986	1,284,030	754,559
1852	7,613,000	5,222,203	864,690	1,062,319
1853	10,656,582	7,620,172	1,125,565	1,316,210
1854	13,449,341	489,302	2,083,757	3,159,200
1855	11,449,472	327,710	9,379,204	16,409,567
1856	12,968,804	575,564	10,321,935	17,404,190
1857	9,966,431	689,714	10,258,220	12,566,722
1858	8,473,607	486,191	7,133,036	11,463,903
1859	9,036,371	651,725	8,556,545	13,270,589
1860	8,532,544	574,959	8,746,799	17,853,009
1861	8,346,683	519,517	12,722,755	13,866,910
1862	6,128,788	774,761	19,044,374	14,288,969
1863	3,974,396	1,393,171	19,134,966	18,057,261
1864[½-year].....	2,177,003	389,507	8,252,638	7,382,890
	$125,558,434	$26,912,383	$119,799,613	$155,407,056

The whole trade of these fourteen and a-half years between the two countries may be thus summarised:

Canada imported dutiable goods from United States..	$125,558,434	
United States imported dutiable goods from Canada..	26,912,383	
Excess of dutiable importations by Canada.....		$98,646,051

* The *exports* in the provincial reports here referred to, are not separated into *free* and *dutiable*. The figures in the two columns of exports in the following table, therefore, are approximates. The aggregates—*i. e.*, dutiable and free exports added together—are, however, precisely those of the Canadian official returns.

United States imported free goods from Canada.....	$155,407,056
Canada imported free goods from United States.	119,799,643
Excess of free importations by United States.....	$35,607,413
Balance against Canada, in fourteen and a-half years.....	$63,038,638

According to the figures in the foregoing table, the volume of trade between Canada and the United States, from 1850 to first half of 1864 inclusive, amounted in value to $427,677,516—Canada paying 14¾ per cent of the whole amount in cash ($63 038,638;) the value of her exports being $182,319,439, against $245,358,077, the value of dutiable and free goods imported by her.

If the analysis of the table be limited to the time the Reciprocity Treaty has been in operation, the volume of trade between the United States and Canada is shown to have amounted in value to $344 031,345—this Province paying 13⅛ per cent of the whole amount in cash, ($45,177,687,) the value of her exports being $149,426,829, against $194,604,516, the value of goods imported.

This view of the case is sustained by a statement reported to have been made to the United States Congress in February, 1864, by Hon. Mr. CHASE, then Secretary of the Treasury, showing, that during ten years ending in 1863, the exports from the United States to Canada amounted to $170,635,000; while the imports from Canada were $18,584,000 less, namely, $152,051,000.

But there is much stronger confirmation to be found in a special report, entitled "Statistics of the Foreign and Domestic Commerce of the United States," presented by Mr. CHASE to the United States Senate, under date June 25th, 1864. It is shown, on page 92 of that document, that, in 1855, Canada took from the United States dutiable goods valued at over $11,000,000—the amount having decreased, in 1862, to about $6,000,000. On the other hand, in 1854, the United States took from Canada dutiable goods valued at over $5,300,000—the amount, in 1862, having fallen as low as $227.000. The tables here referred to are for eight years, 1855 to 1863, and may be thus concisely stated:

United States goods paying duty in Canada [average of 8 years]. p. annum	$8,401,481
Canadian goods paying duty in U. States [average of 8 years]..p. annum	467,238
Average annual over-importation by Canada.....	$7,934,243

Upon which, Mr. CHASE remarks: "Under the Reciprocity Treaty, therefore, duty is paid on goods of the United States entering Canada of the average annual value of $7,934,243 more than the values of duty-paying goods entering the United States from Canada." This shows that, so far as dutiable goods are concerned, Canada imported to the extent of $63,473,944 more than she exported in eight years; the figures from provincial documents showing a difference, in fourteen years and a-half, of $98,646,051.*

* That this reference to the report of Mr. CHASE, the late Secretary of the Treasury, may be better understood, we publish the following extract from pages 92 and 93 of the report—Ed. *Hunt's Merchants' Magazine*:

The imports from Canada show an average value of $16,643,825 for the last eight fiscal years, of which an average of $467,258 only paid duty on entering the United

The Secretary of the United States Treasury goes on to show, at page 93, that the "Reciprocity imports into Canada from the United States," in eight years, 1856 to 1863, inclusive, were $42,333,257 less than the "Reciprocity imports into the United States from Canada." The Canadian returns, however, indicate that "other free goods" (which seem for a moment to have escaped the notice of Mr. CHASE) reduce that particular difference by $16,310,354—making a balance, so far as free goods are con-

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States. The average sum of $16,176,837 entered free of duty, of which $14,443,000 was under the Reciprocity Treaty, and $1,732,725 was free under other laws. The following are the values admitted free to each country, respectively, contrasted for each year:

PAYING DUTY IN CANADA.

Calendar years.	Amount.	Calendar years.	Amount.
1855	$11,449,472	1861	$8,838,620
1856	12,770,928	1862	6,128,783
1857	9,966,430	1863	3,974,396
1858	8,473,607		
1859	9,032,861	Average of 8 years	$8,401,481
1860	8,526,280		

PAYING DUTY IN THE UNITED STATES.

Fiscal years.	Amount.	Fiscal years.	Amount.
1854–55	$5,305,818	1860–61	358,240
1855–56	640,375	1861–62	227,059
1856–57	691,097	1862–63	567,677
1857–58	313,953		
1858–59	504,969	Average of 8 years	$467,238
1859–60	434,532		

Under the Reciprocity Treaty, therefore, duty is paid on goods of the United States entering Canada of the average annual value of $7,934,241 more than the values of duty-paying goods entering the United States from Canada.

The respective values made free by the Reciprocity Treaty were, from 1856 to 1861, nearly twice as great from Canada, or of Canadian produce, as from the United States, or of United States produce. In 1862 and 1863, in consequence of the enormous increase in the shipments of wheat, flour, and grain nominally to Canada, but really through Canada to other markets, the values became nearly equal.

RECIPROCITY IMPORTS INTO CANADA FROM THE UNITED STATES.

Calendar years.	Amount.	Calendar years.	Amount.
1856	$8,082,820	1861	$9,980,937
1857	8,642,044	1862	14,430,626
1858	5,564,615	1863	12,339,367
1859	7,106,116		
1860	7,069,098	Total, 8 years	$73,215,623

RECIPROCITY IMPORTS INTO THE UNITED STATES FROM CANADA.

Fiscal years.	Amount.	Fiscal years.	Amount.
1855–56	$15,959,850	1860–61	$16,327,824
1856–57	16,731,984	1861–62	14,295,563
1857–58	10,900,188	1862–63	12,807,354
1858–59	12,307,371		
1859–60	16,218,767	Total, 8 years	$115,548,850

The treaty has, therefore, released from duty a total sum of $42,333,257 in value of goods of Canada more than of goods the produce of the United States. The decline in value of American and foreign goods paying duty on entering Canada from the United States, in 1862 and 1863, is due to the decline of trade in all fabrics and manufactures, not to any change in the proportions of free and dutiable, through which our exports are relieved from taxation.—Report on Foreign and Domestic Commerce of the United States, 1864. Pages 92 and 93.

cerned, against the United States of only $26,022,903. Assuming, however, for a moment, that his figures fully and fairly represent the state of the case, (which they certainly do not,) he still shows that, taking dutiable and free goods together, Canada had over-imported in the period to the extent of $21,140,687—or, by suggested correction, $37,451,041.

Mr. CHASE asserts, on page 104, that the decline in dutiable goods exported from the United States to Canada is wholly due to the levying of *ad valorem* duties in this Province. He declares that kind of taxation to be a practical discrimination against purchasing in United States markets; for, in consequence of increase in price of fabrics caused by enhanced tariffs, and by internal duties levied, "a duty of 20 per cent on invoices made in England, can scarcely fail now to amount to two such per-centages when the same or similar goods are purchased in the United States, simply through the duplication of prices attained here. Efforts have been made in Canada to obviate the difficulty in some measure by admitting United States invoices at a reduction to gold values, but nothing has been settled on." To this most extraordinary averment, there is a very brief reply: An order of the Governor General in council, issued on 31st October, 1862, provided for the levying of duties on all goods imported from the United States according to their value in gold; this regulation was therefore in force nearly two years prior to the date of Mr. CHASE'S report, and has continued ever since to be acted upon by the Canadian customs' authorities.

On page 91 of his report, Mr. CHASE gives certain totals, showing a decline in the "foreign exports" of the United States; and remarks: "It is obvious, that the Canadian supply of foreign goods is no longer purchased in the importing cities of the United States, as before the treaty; and the statistics of goods entering Canada, through the United States, under bond, show that to be the mode of receipt substituted for the former." His allegation about the effect of *ad valorem* duties is set up to account for the decline of trade, from what it is supposed to have been before 1855. A table, and some remarks, given on page 32, establish that the decrease in dutiable goods was not coincident with the Reciprocity Treaty, and, when it did occur, was the effect of other causes. In addition to what was there stated, it is shown by the following table, that the effect of the treaty was to *increase* importations from the United States into Canada, and very materially to *decrease* importations from Great Britain. The proportions of the yearly values of imports into Canada from the United States, to the imports from all parts of the world, (the annual importations from Great Britain being also shown,) during a period of fourteen years and a-half, were as follows:

Calendar years.	Imports from Great Britain.	Imports from United States.	Imports from all parts of the world.	Per centage from U. States
1850.....	$9,631,921	$6,594,861	$16,982,069	39
1851.....	12,048,133	8,865,765	21,434,791	40
1852.....	10,671,133	8,477,693	20,286,493	41¾
1853.....	18,489,121	11,782,147	31,981,436	36¾
1854.....	22,963,330	15,538,101	40,529,325	38¼
1855.....	13,303,460	20,828,676	36,086,169	57¾
1856.....	18,212,934	22,704,601	43,584,387	52
1857.....	17,559,025	20,224,651	39,430,598	51¼
1858.....	12,287,053	15,635,565	29,078,527	53¾

1859.....	14,786,084	17,592,916	33,555,161	52½
1860.....	15,859,980	17,273,029	34,447,985	50½
1861.....	20,386,937	21,069,388	43,054,836	49
1862.....	21,179,812	25,173,157	48,600,633	51⅞
1863.....	20,177,572	23,109,362	45,964,493	50½
1864[¼-year].....	11,830,240	10,426,572	23,882,216	43⅞
	$239,436,235	$244,791,484	$508,899,069	

The averages give a mean of 47½ per cent, as the proportion of imports annually, during the whole period, from the United States—the mean from 1855 being 51½ per cent, or an average increase of four per cent, attributable to the treaty. The aggregate value of imports from Great Britain was less by $5,355,249 than the total from the United States. Reckoning from 1855, the value of imports from Great Britain was $165,632,597; from the United States, $194,037,917; a difference of $28,405,320, or 17⅛ per cent. The importations from the two countries, during the first five years referred to in the table, speak for themselves.

The foregoing glance at the current of trade between the neighboring Republic and this Province should be satisfactory to the most fastidious protectionist in the United States. Had the conclusions been of an opposite character, the so-called "balance of trade" being reversed, it would not therefore have followed, that the people of the United States had not been greatly benefited by their excessive importations from the British North American Provinces. The people of these Provinces buy so much more from the United States than they sell to them, simply because it is profitable so to do; and the people of the United States will buy more in the provincial markets than they do at present just as soon as their tariff and taxation are modified, so as to make the transactions remunerative. If the Reciprocity Treaty were abrogated, and discriminative duties against Canada imposed in its stead, neither the Government nor the people of the United States would be advantaged. Take an illustration from a report on the subject by the Detroit Board of Trade:

"In 1863, we imported at Detroit 300,000 bushels of Canadian white wheat, on which we received the following sums for labor, freight, insurance, elevating charges, and commission:

Elevating and shipping charge on 300,000 bushels, 2c.....	$6,000 00
Fire insurance on value here, $450,000, ¼c.....	1,125 00
Freight to Buffalo on 300,000 bushels, 6c.....	18,000 00
Transfer at Buffalo, 1c.....	3,000 00
Canal freight to New York, 20c.....	60,000 00
Measuring at New York, 1c.....	3,000 00
Lake insurance on $584,250, at ½ per cent premium	2,921 25
Commission on value at New York, at $1 90 per bushel, $584,250, 2½ per cent premium.....	14,250 00
Total charge paid citizens of the United States.....	$108,296 25

"With the revenue law, as it stands at present, the Government would have received directly, as its portion of the benefit, the following sums:

On canal and lake freight, $78,000, at 2½ per cent.....	$1,950 00
On gross sales, $584,250, at one-eighth of 1 per cent.	730 30
On stamps for time drafts for $400,000, at 50 cents per $1,000	200 00

Assuming that all parties interested netted the moderate sum of $10,000 on this property, it added just that amount to the net in-

comes of the various parties interested; so that, with a five per cent income tax, the Government would get another sum out of the transaction, of	500 00
Amount paid the Treasury.....	$3,880 30

"Here we have the sum of $111,676 55 paid to the Government and people on one lot of 300,000 bushels of white wheat. Every transaction of the same nature resulted more or less in the same way. It will take a great deal of argument, prejudice, and sophistry to prove that the United States were deeply wronged by the above and kindred transactions. The opponents of the treaty say that this wheat would have come in under a twenty per cent *ad valorem* duty, and that we should have had all these profits, and the duty besides. To this, we reply: we would not have received one single bushel of the wheat with a twenty per cent duty; for the simple reason, that the amount of this tax would have paid the freight charges, insurance, and commission from the point or way-port, from which the grain started in Canada, to Montreal—where it would have sold for a larger sum than it would have done in Detroit."

It must not be overlooked that Mr. CHASE'S Report speaks of the trade in breadstuffs between Canada and the United States as, to a great extent, merely a transit business; and figures are given on pages 80 and 81 to illustrate that view of the case—hence the allegation that "the volume imported at all parts of the border does not differ much from the volume exported." The *quantities* in the examples differ materially; exports in three years from United States to Canada are shown to be equal to 15,657,244 bushels, while imports from Canada to United States are only equal to 11,308,515 bushels, the difference being about 27½ per cent. The wheat and flour forming these imports, as before remarked, were the produce or manufacture of this Province. The *values*, too, when closely examined, make the connection between the premises and the conclusion much less obvious than at first sight it appears to be.

The facts of the case are these. The bulk of the flour imported into Canada from the Western States and Oswego, for a number of years past, has been for local consumption and for export to Great Britain—very little indeed finding its way back to the United States. A great proportion of the wheat imported into the Province from the West is manufactured on the Welland Canal and in Montreal. The flour is largely consumed at Quebec and in the lower provinces; shipments being also made to England. This flour could not be sent into the United States in any considerable quantity, in consequence of the customs' regulations; for, notwithstanding Mr. CHASE'S affirmation that such flour finds *free* entrance into the United States, the experience of merchants and millers in the Province is that it *does not*, there being a special Treasury order in force which contradicts the allegation. Moreover, that description of flour could not compete in the Eastern market with the kind produced by the millers of Oswego and Rochester. On the other hand, the demand in the United States for Canadian flour is for a high-classed quality from white wheat—the spring wheat of this Province also yielding a strong flour, which is much inquired for. The trade in breadstuffs, therefore, is not merely a transit trade, but a reciprocal and mutually beneficial one. In illustration of this view, it may be further stated that the receipts of flour by lake at

Oswego, "foreign and coastwise," in 1864, were 51,650 barrels—of which, 39,999 barrels (or 77½ per cent) were Canadian. The receipts of wheat by lake at that port, in the same year, were 5,657,778 bushels—of which 1,004,917 (or 17¾ per cent) were Canadian.

THE "UNILATERAL" HYPOTHESIS.

One of the opponents of the Reciprocity Treaty, (Hon. CHARLES SUMNER.) has made an effort to show that it is "unilateral" in its operation, and very disadvantageous to his country's commerce. A leading commercial newspaper, however, proved that his theory was fallacious—and it is believed that the figures in the foregoing pages destroy his conclusions. But they do more than this; for, from the protectionist standpoint, they demonstrate that the treaty *is* one-sided in the very opposite sense from that in which he views it. This will be further evident, when it is stated that the Reciprocity Treaty conferred no special advantages upon the British North American Provinces in general, or Canada in particular—the goods admitted free into the United States from the Provinces (under Article III. of the Treaty,) *being also admitted free from all other countries.* Further, the navigation of the River St. Lawrence and of the provincial canals was secured to United States' craft on the same terms as provincial vessels; Canadian craft being excluded from the canals of the United States, notwithstanding the third clause of Article IV. of the treaty.

TRADE OF THE UNITED STATES WITH THE LOWER PROVINCES.

The Reciprocity Treaty has been frequently spoken of as if the parties to it were—Canada exclusively on the one hand, and the United States on the other. It is worthy of remark, however, that United States authorities point to the existence of a very extensive trade between that country and Nova Scotia, New Brunswick, Newfoundland, and Prince Edward Island—much of which is the direct result of that treaty. The following table shows the value of the trade:

Years ending June 30.	Exported to lower Provinces by U. S. Domes. goods.	Foreign goods.	Totals.	Imported from lower Provinces by U. S. Free goods.	Dutiable goods.	Totals.
1850	$3,116,840	$501,374	$3,618,214	$151,145	$1,207,847	$1,358,992
1851.	3,224,553	861,230	4,085,784	160,567	1,576,284	1,736,850
1852.	2,650,134	1,141,822	3,791,956	218,718	1,301,612	1,520,330
1853.	3,398,575	1,912,968	5,311,543	238,568	2,034,034	2,272,602
1854.	4,693,771	2,572,383	7,266,154	259,102	1,946,919	2,206,021
1855.	5,855,878	3,229,798	9,085,676	1,227,627	1,726,793	2,954,420
1856.	7,519,909	626,199	8,146,108	3,640,875	181,349	3,822,224
1857.	6,911,405	776,132	7,687,537	3,695,815	136,647	3,832,462
1858.	5,975,494	646,979	6,622,473	4,047,169	177,779	4,224,948
1859.	8,329,960	883,422	9,213,382	5,290,088	228,746	5,518,834
1860.	7,502,839	1,120,375	8,623,214	4,753,830	235,878	4,989,708
1861.	7,133,784	1,250,021	8,383,755	4,255,305	162,171	4,417,476
1862.	7,369,905	866,706	8,236,611	3,744,614	302,199	4,046,843
1863.	10,198,505	1,183,807	11,382,312	4,797,814	409,610	5,207,424
			$101,405,218			$48,508,934

According to these figures, (from Mr. CHASE'S Report,) the exports from United States to the maritime Provinces exceeded the value of the imports from the Provinces by $52,896,284. The free and dutiable goods

sold to the Provinces are not particularized; but the quantities of flour, wheat, etc., are noted below:

Years ending June 30.	Flour. Brls.	Wheat. Bush.	Maize. Bush.	Meal (Corn & rye.) Brls.	Total value.
1850	214,934	198,319	96,552	142,332	$1,744,768
1851	200,664	216,971	101,169	92,341	1,521,365
1852	166,117	189,672	141,185	42,121	1,078,001
1853	171,640	204,717	158,885	40,224	1,233,898
1854	145,590	148,882	188,184	95,485	1,699,733
1855	198,122	98,328	160,444	139,795	2,792,427
1856	397,616	147,925	183,372	145,409	4,158,479
1857	436,231	142,568	140,618	101,896	3,572,777
1858	491,802	103,943	109,841	66,255	3,084,730
1859	549,088	74,676	110,692	53,440	3,365,257
1860	578,133	68,621	117,204	52,941	3,427,088
1861	569,356	19,886	61,804	59,789	3,330,686
1862	605,826	13,748	113,077	82,835	3,535,330
1863	782,384	70,894	171,984	74,478	4,948,871
					$39,493,410

The favorable influence of the Reciprocity Treaty upon the trade in breadstuffs will be seen at a glance. The value of the whole "domestic" exports from the United States to the lower Provinces in the period was $83,881,502.

RECAPITULATION.

The foregoing statements clearly show how important and valuable the British North American market is to the United States. They may be briefly recapitulated thus:

Canada over-imported, since 1850, to the extent of	$63,038,638
Lower Provinces over-imported, in same period	52,896,294
Paid United States, to balance accounts	$115,934,932

These advantages of this profitable traffic which accrue to the United States, are entirely independent of the benefits arising from the free use of the British North American fisheries, the free navigation of the St. Lawrence, etc.

SHOULD THE TREATY BE REPEALED?

Since the foregoing remarks were penned, notice has been given to the Government of Great Britain that the United States Government desire the termination of the present Treaty. It may have been suggested by the American Minister that a new treaty should be negotiated. It is doubtful whether an addition to the schedule of free goods would be considered beneficial to the United States, if the views which appear to be extensively accepted in that country are taken into account. On the other hand, if the people and Government are resolved upon the abrogation of the Treaty, it would be needless for the people of these Provinces to ask for its continuance or even revision; they could only regret that a great nation, whose commercial interests are so identified with their own, should be impelled to such a retrogressive and suicidal policy, and, when the treaty expired, the business community would endeavor to adapt themselves to the altered circumstances.

A CONVENTION OF MERCHANTS.

PROPOSED MEETING AT DETROIT.

The importance of sustaining an efficient Board of Trade or Chamber of Commerce in each of our principal cities has long been acknowledged. Such organizations are of evident use to the community where they exist, and also to the country at large. But could not their usefulness be decidedly increased if there was a central head uniting these different bodies, and making them one in purpose? We now have, for instance, trade reports of many cities, published under the direction of these different boards. Some of them are intelligible, some of them are full, while others are meager and of little use. Could not a report of all the States be made up each year, under the supervision of a central organization, with the assistance of these local bodies, which would possess the greatest value? We are persuaded that a little money spent in thus compiling a volume, would give us a work of rare usefulness.

Then, too, would not an annual convention of delegates from each of these boards be a meeting of decided interest and influence? Commercial questions have assumed far greater importance to us as a nation than formerly. They must be the study of every man. Our prosperity in the future depends upon our wisdom now. At a convention such as we suggest, all commercial questions agitating the country could be fully discussed, and the voice of the convention when expressed would carry far greater weight with it than does the separate action of these different bodies. Besides, the comparing of views held by our leading merchants in different sections of the country would be more likely to lead us to correct conclusions, than where each makes its decision seperately, influenced perhaps by local prejudices.

Last year there was a meeting at Portland of invited delegations from prominent boards of trade at the West, and this year we see that Boston is planing for a similar meeting early in June. The visit at Boston is to extend over three days, and is simply designed to bring New England and the West into more intimate commercial relations. Such assemblages are unobjectionable and of value for the purpose of advancing particular interests, but of no further use. They are not national, but sectional. The Detroit Board of Trade, however, has proposed a convention, out of which good may come if supported with spirit by other similar organizations. We gladly give place to the preliminary letter which has been mailed to each Board of Trade and Chamber of Commerce throughout the country, hoping it may serve to increase the interest felt in the measure. Mr. R. Hawley, of Detroit, in sending us this letter, says:

"It has occurred to me that it would be well if you would publish this preliminary letter, and then, if any board has been inadvertantly overlooked, notice will probably reach it in time for the appointment of the requisite number of delegates. Very many of the Chambers of Commerce have already signified their acceptance of the invitation, not only as to time and place, but as to the subjects to be discussed and acted upon. You will no doubt agree with me that it will be a most important assemblage, and if men of enlarged views and wide experience, who can rise above

narrow prejudices and selfish interests, are generally sent, its influence upon the future well-being of our country cannot well be over-estimated."

The following is a copy of the letter referred to, which has been mailed, as already stated, to each Board of Trade and Chamber of Commerce throughout the country:

"BOARD OF TRADE ROOMS, DETROIT, MICH.,
March 28, 1865.

"At a meeting of this Association, on the 6th inst.—following resolutions, after full discussion, were unanimously adopted:

"*Resolved*, That the President be requested to address circular letters to the presiding officers of the several Boards of Trade in the loyal States and British Provinces, asking the appointment of delegates to attend a convention to be held during the approaching summer, for the consideration of the following subjects, viz.: Commerce, Finances, Communications of Transit from the West to the seaboard; Reciprocal Trade between the United States and the British Provinces, and such other business as may come before the Convention, not of a purely local or political character.

"*Resolved*, That Detroit is a central and convenient place for the Convention to meet, and we hereby tender the Board of Trade Rooms for its accommodation.

"In conformity with the foregoing resolutions calling a Convention, the objects being therein stated, I shall simply ask for them your careful consideration, if approved of, that your association will cordially co-operate by sending a suitable number of its members to the proposed Convention, to assist in discussing the various and important commercial questions which may properly come before it.

"It is believed that this is eminently a proper time for the business men of this country, through their several Boards of Trade and Chambers of Commerce, to meet in council, to discuss matters of finance and commerce, and thus give to the people at large the life-long experience of men devoted to commercial affairs. Such discussion cannot produce evil, and may result in material good.

"I would beg leave to name the second Tuesday in July, proximo, for the Convention to meet in Detroit. If any other time or place should be thought more desirable by a majority of the Boards their views will be adopted. When we hear from the several Boards of Trade on the subject this Association will communicate their action to you.

"Hoping to hear from you at your earliest convenience,

"Your obedient servant,

"JOSEPH ASPINALL, President."

We trust that the convention referred to in the above letter will not only meet, but that it will be composed of earnest men alive to their country's true interests; that a permanant organization will be effected, and that hereafter we shall have a regular annual convention of delegates from every Board of Trade in the land, meeting together to discuss and act upon the prominent commercial measures and questions of the day. The voice of our merchants would thus be heard, and exert the influence it should on all matters affecting the great mercantile interests of our country.

This invitation is very properly, we see, extended to the British Provinces. It is not expected, of course, that we shall ask Canada what shall be the commercial policy of the United States, nor that we shall mark

out or dictate what shall be her legislation affecting us. Yet our interests are so similar and dependant, it is well for us to consult together, and endeavor to recommend some policy to our respective governments which shall make us closer and firmer friends.

The relative representation of the different Boards in such a convention might be a matter of some difficulty. In case, however, each Board or Chamber of Commerce was required to vote as a unit, there would be no question of representation. This plan, we presume, will be adopted, as it avoids this difficulty of representation, and is otherwise desirable, in that it would thus be readily seen from whence came the approval of, or opposition to, every measure, and the different organizations preserving their individuality, would carry with their vote their due influence.

COMMERCIAL LAW.—NO. 22.

THE LAW OF SHIPPING.

THE OWNERSHIP AND TRANSFER OF SHIPS.

The law of shipping may be considered under three divisions. First, as to ownership and transfer of ships. Second, as to the employment of ships as carriers of goods, or of passengers, or both. Third, as to the navigation of ships. We begin with the first topic.

Ships are personal property; or, in other words, a ship is a chattel; and yet its ownership and transfer are regulated in this country by rules quite analogous to those which apply to real property.

The Constitution of the United States gives to Congress the power to enact laws for the regulation of commerce. In execution of this power, acts were passed in 1792, and immediately after, which followed substantially (with one important exception, to be hereafter noticed) the Registry and Navigation Laws of England, one of which had been in force about a century and a half. The English laws were intended to secure English commerce to Englishmen and English ships; and it was supposed that the commercial prosperity of England was in a great measure due to them.

To secure the evidence of the American character of a vessel, the statute of 1792 provides for an exact system of registration in the custom house. There is no *requirement* of registration. The law does not say that a ship shall or must be registered, but that certain ships or vessels may be; and if they are registered, they shall have certain privileges. And the disadvantage of being without registry operates as effectually as positive requirement with a heavy penalty could do.

The ships which may be registered are those already registered, 31 December, 1792, under the act of September, 1789; those built within the United States, and owned wholly by citizens thereof; and those captured and condemned as prizes, or adjudged forfeited by violation of law, if at the time of registry they are owned wholly by citizens of this country. No ship can be registered, if an owner or part-owner usually reside abroad,

although he is a citizen, unless he is a consul of the United States, or agent for, and a partner in, a mercantile house established and doing business here; nor if the master be not a citizen of the United States; nor if the owner or part-owner be a naturalized citizen, and reside in the country whence he came more than a year, or in any foreign country more than two years, unless he be consul or public agent of the United States. But a ship which has lost the benefits of registry by the non-residence of an owner, in such a case may be registered anew if she become the property of a resident citizen, by *bona fide* purchase; nor can a ship be registered which has been, at any time, the property of an alien, unless she becomes the property of the original owner or his representative.

Sometimes Congress, by special acts, permits the registration, as an American ship, of a vessel which has become, by purchase, American property. If a registered American ship be sold or transferred, in whole or in part, to an alien, the certificate of registry must be delivered up, or the vessel forfeited; but if, in case of a sale in part, it can be shown that any owner of a part not so sold was ignorant of the sale, his share shall not be subject to such forfeiture. And as soon as a registered vessel arrives from a foreign port, her documents must be deposited with the collector of the port of arrival, and the owner, or, if he does not reside within the district, the master, must make oath that the register contains the names of all persons who are at that time owners of the ship, and at the same time report any transfer of the ship, or of any part, that has been made within his knowledge since the registry; and also declare that no foreigner has any interest in the ship. If a register be issued fraudulently, or with the knowledge of the owners, for a ship not entitled to one, the register is not only void, but the ship is forfeited. If a new register is issued, the old one must be given up; but where there is a sale by process of law, and the former owners withhold the register, the Secretary of the Treasury may authorize the collector to issue a new one. If a ship be transferred while at sea, or abroad, the old register must be given up, and all the requirements of law, as to registry, &c., must be complied with, within three days after her arrival at the home port.

Exclusive privileges have at various times been granted to registered vessels of the United States. By the statute of 1817, it is provided, that no merchandise shall be brought from any foreign country to this, except in American vessels, or in vessels belonging to that country of which the merchandise is the growth. Also, that no merchandise shall be carried from port to port in the United States, by any foreign vessel, unless it formed a part of its original cargo. A ship that is of twenty tons burden, to be employed in the fisheries, or in the coasting trade, need not be registered, but must be enrolled and licensed accordingly. If under twenty tons burden, she need only be licensed. If licensed for the fisheries, she may visit and return from foreign ports, having stated her intention of doing so, and being permitted by the collector. And if registered, she may engage in the coasting trade or fishery, and if licensed and enrolled, she may become a registered ship, subject to the regulations provided for such cases.

A ship that is neither registered nor licensed and enrolled, can sail on no voyage with the privilege or protection of a national character or national papers. If she engages in foreign trade, or the coasting trade, or

fisheries, she is liable to forfeiture; and if she have foreign goods on board, must at all events pay the tonnage duties leviable on foreign ships. In these days, no ship engaged in honest business, and belonging to a civilized people, is met with on the ocean, without having the regular papers which attest her nationality, unless she has lost them by some accident.

THE TRANSFER OF PROPERTY IN A SHIP.

The Statute of Registration provides, that, "in every case of sale or transfer, there shall be some instrument in writing, in the nature of a bill of sale, which shall recite at length the said certificate; otherwise the said ship or vessel shall be incapable of being registered anew." It follows, therefore, that a merely oral transfer, although for valuable consideration, and followed by possession, gives the transferee no right to claim a new register setting forth his ownership. But this is all. There is nothing in this statute to prevent the property from passing to and vesting in such transferee. It is, however, unquestionably a principle of the maritime law generally, that property in a ship should pass by a written instrument. And as this principle seems to be adopted by the statute, the courts have sometimes almost denied the validity of a merely parol transfer. The weight of authority and of reason is, however, undoubtedly in favor of the conclusion stated by Judge STORY, that "the registry acts have not, in any degree, changed the common law as to the manner of transferring this species of property." It would follow, therefore, that such transfer would be valid, and would pass the property.

The English Registry Act provides, that "when the property in any ship, or in any part thereof, shall, after registry, be sold, the same shall be transferred by bill of sale, or other instrument in writing, containing a recital of the certificate of registry, or the principal contents thereof; otherwise, such transfer shall not be valid or effectual for any purpose whatever, either in law or in equity." Our Registry Act contained no such provision. Perhaps this important omission arose from a doubt whether legislating concerning the transfer of ships at home, as property, could be considered as a regulation of commerce; for if not, it was not within their constitutional power.

In 1850, Congress, however, passed an act, "to provide for recording the conveyances of vessels, and for other purposes." By this statute it was provided "that no bill of sale, mortgage, hypothecation, or conveyance of any vessel or part of any vessel of the United States, shall be valid against any person other than the grantor or mortgagor, his heirs and devisees, and persons having actual notice thereof; unless such bill of sale, mortgage, hypothecation, or conveyance be recorded in the office of the collector of the customs where such vessel is registered or enrolled." Then follows an exception in favor of liens by bottomry, and in subsequent sections are provisions for recording by the collector, and giving certificates, &c.

This statute has no effect, that we perceive, upon oral transfers, excepting that, as they cannot be recorded, their operation is limited to the grantors and those who have actual notice. Where the transfer is by bill of sale, the record of this, under the late statute, is, perhaps, notice to all the world. But in most of our States there are already provisions for the record of mortgages of personal property, and it may be a difficult ques-

tion how these are affected by this statute of the United States. For example, if there be such a record as is required by the State law, is this sufficient, without a custom-house record, either because it is a public notice, which is the equivalent of actual notice to everybody, or because the State has the right to regulate this matter; or, if there be a record in the custom-house and none which conforms to the State requirements, is this sufficient against all the world? If we suppose this statute to be constitutional, of which we do not, however, feel certain, we should say that it controlled and superseded the State statute, so as to make that unnecessary and ineffectual; and therefore a record in the custom-house only would be sufficient, and a record under the State law would affect only those who had actual knowledge of it.

As a ship is a chattel, a transfer of it should be accompanied by a delivery of possession. Actual delivery is sometimes impossible where a ship is at sea; and perhaps the statute of 1850 makes the record of the transfer equivalent to change of possession. If there be no record, possession should be taken as soon as possible; and prudence would still require the same course, we think, in case of transfer by writing and record.

There have been cases which have been supposed to intimate that, as between two innocent purchasers, he that gets actual possession first completes his title as against the other. We doubt the correctness of this in all cases. We say rather, that if A becomes in good faith the purchaser of a vessel, and has taken *constructive* possession, (as by having a bill of sale indorsed on the register and recorded in the custom-house, and taking an order to the master or other person in possession to deliver her up,) he has no right to delay unnecessarily the taking *actual* possession, for this may deceive and injure other persons. And if B, a second purchaser, in ignorance of the first purchase, during such delay or neglect gets actual possession, he would hold the vessel; unless, indeed, prevented by the record. But if B gets actual possession before A, but while A was so prevented that his want of actual possession cannot be imputed to him as neglect, A will get a better title than B, if he (A) takes actual possession as soon as he can.

By the word "ship," and still more by the phrase "ship and her appurtenances," or "apparel," or "furniture," everything would pass which was distinctly connected with the ship, and is on board of her, and fastened to her if that be usual, and needed for her navigation or for her safety. Kentledge, a valuable kind of permanent ballast, has been held to pass with the ship; so have a rudder and cordage prepared for a vessel, but not yet attached to her, and not quite finished; and so would a boat, anchors, &c., generally. But the answer to the question, What is part of the ship? must always depend somewhat upon the words of the instrument, and upon the circumstances of the case and the intention of the parties.

Sometimes, when a ship is built, she is paid for in instalments. If these are regulated by the progress in building, so that, when so much is done, a sum deemed equivalent to the labor and materials used shall be paid, and when more is done, another sum in due proportion, and so on, it is held that each payment purchases the ship as she lies; and if she be lost after any such payments, the loss is the loss of the purchaser. But if

paid for, so much down, and so much at a certain time, so much at another, &c., without reference to the state of the ship at these times, these are only payments on account, and the ship does not belong to the purchaser until completed and delivered.

A sale by the decree of any regular court of admiralty, with due notice to all parties, and with proper precautions to protect the interests of all, and guard against fraud or precipitancy, would undoubtedly be acknowledged by courts of admiralty of every other nation as transferring the property effectually.

COMMERCIAL CHRONICLE AND REVIEW.

OPENING OF THE SOUTHERN PORTS TO TRADE—THE OLD CONDITION OF AFFAIRS BEING RAPIDLY RESTORED—THE PRESIDENT'S PROCLAMATIONS—A REVIVAL OF FOREIGN COMMERCE AT HAND—CAPITAL DESTINED TO FLOW INTO THE COUNTRY IF WISE MEASURES PREVAIL—DECREE OF THE EMPEROR MAXIMILLIAN—COLOSSAL SUBSCRIPTIONS TO THE SEVEN-THIRTY LOAN—MONEY MARKET—PRICES OF MERCHANDISE—CONGRESS OF THE BOARDS OF TRADE TO RESTORE RECIPROCITY TREATY—IMPORTS OF DRY GOODS—SPECIE MOVEMENT—COURSE OF EXCHANGE—PRICES UNITED STATES PAPER—RAILWAY SHARES—IMPORTANT DECISION OF JUDGE NELSON IN THE UNITED STATES CIRCUIT COURT ON CONFISCATION, ETC., ETC.

PRESIDENT JOHNSON appears to be sincerely desirous of pacificating the late insurgent parts of the country, and reopening them to the healing influences of commerce and private enterprise as soon as possible. Various edicts have already emanated from the Government opening the Southern ports to trade, and permitting commercial intercourse to re-establish itself under certain restrictions. None but those who have carefully considered the great part that commerce has always played in burying national animosities, and in ever advancing the true interests of civilization and progress, can fully appreciate the wisdom of these measures at this time. Some of the most interesting indications of the new condition of affairs, which will inevitably flow from renewed traffic with the South, are furnished by the long columns of advertisements which now appear in the daily press concerning lines of steamers to Charleston, Savannah, and other Southern ports, express companies to all points South, railroads once more in running order, and telegraph lines just delivered from military control.

The two proclamations of May 29th, the one extending amnesty to the rank and file of the rebellion, and the other, re establishing civil government in North Carolina, are additional indications that President JOHNSON will go as far as public opinion will permit him in restoring peace and harmony to the ruined South.

A great revival of foreign commerce is also undoubtedly at hand. Steam lines are announced to run between California and China, touching at the Sandwich Islands, California, and Japan; New York and Brazil; and New York and Italy, touching at the port of Cadiz in Spain. But we have woefully impaired our

former means of prosecuting foreign commerce by the restrictions which, still in the form of tariffs and penalties, chain us to that retrogression which the war necessitated. Let these be once removed and peace prevail, and the immense fields for the employment of capital in this vast country will invite accretions of capital from all parts of the world for investment; let them remain, and the hope that now inspires the commercial classes in the United States will flicker and die out, and the activity it has already promoted will be so much wasted effort.

The Emperor MAXMILIAN has published a decree increasing the duty on foreign tobacco, which, in addition to the municipal taxes, will have to pay duty as follows:

Leaf tobacco, gross weight	25	cents per pound.
Chewing tobacco, "	50	" "
Snuff tobacco, "	75	" "
Cigarettes, net weight	75	" "
Segars, "	150	" "

Tobacco, entered with a final destination to interior custom-houses, will pay as a counter-registry duty the following rates:

Leaf tobacco, gross	25	cents per pound.
Chewing tobacco, gross	50	" "
Snuff tobacco, gross	50	" "
Cigarettes, net	50	" "
Segars, net	100	" "

In leaf tobacco no deduction will be allowed in weight from the original packages. Segars will include the ties, but the boxes will be deducted from the weight. The decree is to take effect in forty days from the date of publication —April 6th.

The great event of the month has been the colossal subscriptions to the seven-thirty loan. With gold oscillating about 130, interest at seven and three-tenths per cent has proved, as might be expected, inviting enough to attract great sums of capital from all parts of the country—indeed, was the true welfare of the people, who will have to pay the interest on these sums in the form of taxes, consulted, it will be seen that the money has been borrowed at altogether too attractive a rate. The withdrawal of so much capital from industrial pursuits is a matter of small regret, because foreign capital will be sure to flow in ultimately and replace it; but the rate of interest is decidedly objectionable.

The steady flow of the immense sums attracted by this loan has had an all-absorbing effect upon the money market and the price of gold. On the 30th of June, 1863, the amount of loans to the Government at 7-30 was $52,725,350. On the 31st October, 1864, it was $76,668,550. But on the 31st March, 1865, it had grown to $300,812,800. Since the latter date the subscriptions to this loan have been incessant, amounting, in one particular day alone, to $40,000,000, and during the month ending May 14, to $300,000,000. Two series of about $300,000,000 having been disposed of, the Government offered a third series of nearly the same amount, but with the option reserved of making the interest six per cent in case specie payments were resumed. This sort of tinkering soon affected the receipts, and they have now subsided to an average of about a million per day. Of course with such movements as these going on, other influences are

scarcely discernable. Yet, as in the end, the regular motion of the tides gradually overcomes the great upheavals occasioned by storms, so the movements of commerce are now gradually making themselves felt where lately nothing but the transactions of the Treasury had any effect whatever. Gold from a premium of 28¼ per cent on May 11th, has gradually made its way up to 38 on May 30th, and with an export movement in full tide may yet strike some level considerably higher. The Treasury, though, in the disposal it sees fit to make of its receipts, whether it pays them all to the soldiers and other Government creditors, or uses them in curtailing the currency, has everything in its own hands, and for some time to come may make the price of gold whatever it pleases.

If we are not mistaken, however, Mr. McCulloch belongs to the *laissez faire* school of political economists. Should this surmise be true, Treasury interferences with the National course of events will be less and less frequent in future.

The money market has been kept pretty easy by the Treasury during the pendency of the enormous operations we have noted, the price of money on call having been from 5 to 6 per cent; but towards the end of the month a sharp contraction occurred consequent upon the partial withdrawal of the Treasury deposits in the National Banks, and the rate stands at the end of the month at 6 to 7 per cent.

The prices of general merchandise have not fallen in harmony with gold. This is partially owing to the fact that sufficient time has not yet elapsed for the full effect of the fall, which occurred in April, to be felt; partly because taxes on production have not yet been equalized, and must, in any event, bear heavily on all classes; and partly to the still uncertain condition of the currency.

The following comparative table of the prices of several leading articles of general merchandise will exhibit the present state of the markets:

	March 28.	April 29.	May 27.
Ashes, pots, 1st sort.....	Nominal.	$8 00 a 8 12½	$7 25 a 7 62
Coffee, Rio, prime.....	20½a 21	a 21½	a 23½
Cotton, mid., fair, upland....	55 a 58	a 58	a 54
Flour, State, superfine.....	9 20 a 9 40	6 90 a 7 10	6 10 a 6 50
Hay, N. R. shipping.....	1 60 a	1 00 a 1 05	1 .. a 1 05
Nails, cut.....	a 7 50	7 00 a	5 75 a 6 ..
Petroleum,crude 40a47 gravity	33 a	39 a 40	.. a 35
Pork, prime mess, new.....	26 00 a 27 00	26 50 a 27 50	17 00 a 18 00
Tobacco, Kentucky lugs.....	8 a 10	8 a 10	6 a 9
Leather, oak (Sl.) light.....	47 a 51	44 a 46	44 a 46
Lumber, spruce, Eastern.....	Nominal.	22 a 25	14 a 18
Corn, white Southern.....	1 70 a 1 80	1 30 a 1 40	0 80 a 0 90
Wheat, white Genesee	2 25 a 2 40	2 20 a 2 35	2 00 a 2 20
Sheetings, brown, standard...	25 a	31 a 32½	37

The Board of Trade of Detroit has issued invitations to the Boards of Trade all over the United States and British America to meet together, in general convention, at Detroit, on the second Tuesday in July. This invitation will be found in another part of this number. The main object of the call is undoubtedly to influence Congress to reconsider its late unwise recession of the Reciprocity Treaty with the British American Provinces.

The following table shows the import of dry goods into the port for the past month:

VALUE OF DRY GOODS ENTERED FOR CONSUMPTION IN MAY, 1865.

	1864.	1865.
May 4	$876,758	$623,337
" 11	880,827	659,797
" 18	508,925	556,935
" 25	517,762	528,882
Total	$2,784,272	$2,368,951

WITHDRAWN FROM WAREHOUSE.

May 4	$529,328	$586,327
" 11	918,076	1,260,631
" 18	914,943	775,803
" 25	582,540	695,867
Total	$2,944,887	$3,318,628

ENTERED FOR WAREHOUSING.

May 4	$101,374	$590,657
" 11	793,617	76,842
" 18	516,187	93,268
" 25	734,465	368,503
Total	$2,143,643	$1,129,270

	1864.	1865.
Total entered for consumption	$2,784,272	$2,368,951
Add withdrawn from warehouse	2,944,887	3,318,628
Total thrown on the market	$5,729,159	$5,687,579
Total entered for warehousing	$2,145,643	$1,129,270
Add entered for consumption	2,784,272	2,368,951
Total entered at the port	$4,929,915	$3,498,221

The specie movement has been as follows:

SPECIE RECEIPTS, SHIPMENTS, &C.

	1864.		1865.			
	Received.	Exported.	Received from California.	Received Foreign.	Exported.	Gold in Bank.
Jan. 2	$254,239	$590,262	$1,147,745	.....	$594,353	$20,152,892
" 9	.....	1,216,204	383,519	$8,171	1,046,251	21,357,608
" 16	279,801	1,985,057	511,088	25,517	329,833	20,211,569
" 23	365,608	1,000,000	.....	5,125	997,136	18,896,085
" 30	324,864	668,747	.....	12,605	.....	.....
Feb. 6	.....	662,616	631,760	19,952	478,777	19,682,308
" 13	363,198	1,219,808	264,322	18,739	370,753	20,297,346
" 20	.....	325,632	448,132	22,900	100,882	20,682,319
" 27	407,067	531,700	794,149	38,696	148,536	20,092,388
March 4	512,358	629,803	.....	48,317	33,393	19,830,183
" 11	.....	465,920	431,163	75,993	181,648	20,737,338
" 18	281,804	83,881	.....	55,221	108,157	22,256,596
" 25	375,101	273,900	.....	50,000	164,440	22,006,524
April 1	273,429	168,912	.....	20,978	79,808	20,584,668
" 8	302,844	345,471	1,463,437	60,769	400,735	20,045,976
" 15	269,522	1,002,384	632,521	31,945	188,900	19,533,734
" 22	.....	3,226,000	.....	71,229	83,922	19,122,288
" 29	282,376	1,271,836	.....	.....	217,192	19,049,913
May 6	282,776	1,174,241	664,281	.....	587,848	20,088,399
" 13	.....	2,452,668	225,876	.....	649,885	23,553,231
" 20	383,423	1,884,195	367,993	.....	3,044,258	23,194,403
" 27	.....	580,820	.....	.....	2,079,215	23,063,929

The rates of exchange have ruled as follows:

RATES OF EXCHANGE IN GOLD.

	London, 60 days.	Paris, 60 days.	Amsterdam.	Frankfort.	Hamburg.	Berlin.
Jan. 7	108½ a 109¼	5.18¾ a 5.15	41½ a 41¾	41½ a 41½	36⅜ a 36⅞	72 a 72⅝
" 14	108½ a 109⅜	5.18¾ a 5.13¾	41½ a 41⅜	41 a 41½	36½ a 36⅝	72½ a 72⅝
" 21	108½ a 109¼	5.18¾ a 5.13¾	41½ a 41⅝	41½ a 41½	36⅜ a 36⅝	73 a 72¾
" 28	108½ a 109⅜	5.20 a 5.13¾	41 a 41⅜	41 a 41½	36⅜ a 36½	72 a 72½
Feb. 4	108 a 109⅜	5.21½ a 5.15	41 a 41⅜	41 a 41⅜	36 a 36⅜	71⅝ a 72
" 11	108½ a 109	5.23⅝ a 5.15	40⅝ a 41½	40⅝ a 41½	35⅝ a 36½	71⅝ a 72½
" 18	107 a 108¾	5.27½ a 5.20	40½ a 41⅜	40½ a 41	35⅝ a 36⅜	71½ a 72
" 25	108 a 108½	5.27½ a 5.18¾	40½ a 40½	40½ a 41	35⅝ a 36⅜	71½ a 72
Mch. 4	108 a 108½	5.27½ a 5.21½	40⅝ a 41½	40⅝ a 40⅞	36⅝ a 34½	71½ a 71⅝
" 11	107⅞ a 108½	5.27½ a 5.22½	40½ a 41½	40½ a 40⅝	35⅝ a 36½	70⅝ a 71½
" 18	109½ a 109¾	5 21½ a 5.18¾	41 a 41⅜	41 a 41⅜	36 a 36⅜	71½ a 72
" 25	109 a 109½	5.20 a 5.15	41 a 41⅜	40⅝ a 41½	36 a 36½	71½ a 72
April 1	109½ a 109⅝	5.20 a 5.15	40⅝ a 41½	40⅝ a 41	36 a 36½	71½ a 71⅝
" 8	108⅝ a 109½	5.22½ a 5.15	40⅝ a 41½	40½ a 41⅞	35⅝ a 36⅜	72½ a 71⅝
" 15	108⅞ a 109½	5.22½ a 5.16¾	40⅝ a 41½	40⅝ a 41	35⅝ a 36⅜	72 a 71⅝
" 22	109½ a 109⅝	5.20 a 5.12½	41 a 41½	40⅞ a 41½	36½ a 36⅝	71½ a 72½
" 29	109 a 109½	5.20 a 5.12½	41 a 41½	40½ a 41½	36 a 36⅜	71½ a 72
May 5	108½ a 109⅜	5.18¾ a 5.13¾	41½ a 41⅜	41 a 41⅜	36½ a 36⅜	71⅝ a 72½
" 12	108½ a 109⅜	5.16½ a 5.12½	41½ a 41⅜	41½ a 41½	36⅜ a 36⅞	72½ a 72⅝
" 19	108½ a 109½	5.17½ a 5.12½	41½ a 41⅜	41 a 41⅜	36½ a 36⅜	72 a 72⅝
" 26	108⅝ a 109⅜	5.16½ a 5.12½	41½ a 41⅜	41½ a 41½	36⅜ a 36⅞	72½ a 72⅝

PRICES OF UNITED STATES PAPER.

	6's, 1881. Reg.	6's, 1881. Coup.	5-20's. Reg.	5-20's. Coup.	10-40's.	1 year certif.	Gold price.
Jan. 7,....	111½	111½	100	109	102	96⅝	227 a 227½
" 14,....	112⅛	112⅛	102	110	102⅝	93	217⅝ a 221
" 21,....	111	110	99	108⅜	101½	97½	197½ a 206
" 28,....	110½	109½	98⅝	108⅞	100⅞	98	218⅜ a 220
Feb. 4,....	109⅝	109⅝	99½	109½	101½	97⅞	209 a 214½
" 11,....	110⅝	110⅜	102	109⅞	102⅝	98⅜	204⅜ a 209
" 18,....	111½	111½	103	111⅜	102⅝	98⅜	204 a 205⅜
" 25,....	111½	111	102	111½	102½	98⅜	198½ a 199½
March 1....	111	110⅜	105	110½	102⅝	98½	199½ a 200½
" 8,....	111	111½	....	110⅜	97⅜	98⅜	196⅜ a 197⅜
" 15,....	110	110	100	109⅜	97	98½	174½ a 177⅜
" 22,....	105	105	....	105	91½	97	156½ a 158½
" 29,....	105	105	....	105	91½	97	151½ a 152½
April 5,....	106½	....	104⅜	107½	92	98	148 a 153⅜
" 12,....	107½	107½	102½	108⅜	93½	93⅝	145½ a 146½
" 19,....	....	....	...	....	...	...	No quotations.*
" 26,....	109	108⅞	102½	108½	97	99½	147⅜ a 149
May 3, ...	110½	110	105	105⅝	97	..	141½ a 141⅞
" 10,....	110½	110	105	105⅜	96½	99½	131½ a 135⅝
" 17,....	109⅜	109	103	103½	95	99	124⅜ a 131⅜
" 24,....	110	109½	103⅜	103⅜	95	99½	132½ a 135½

PRICES OF RAILWAY SHARES.

	March 29.	April 3.	April 27.	May 29.
New York Central	84	101½	108	89
Hudson River	76	107	115½	97
Erie	45	69½	85½	72⅜
Reading	89½	...	110⅜	91⅝
Mich. So. and N. I.	50	62	74	58
Illinois Central	93½	112½	117½	117
Cleveland and Pittsburg	52	74	83½	61
Chicago and N. W.	21½	31⅜	34	21⅜
Chicago and R. I.	85⅜	96⅜	105	93⅛
Fort Wayne	76⅜	93½	103	92⅜

In the case of the United States *vs.* 1,756 shares of the capital stock of the Great Western Railroad Company, Judge NELSON of the United States Circuit Court rendered a most important decision touching the question of confiscation. The following is a summary:

In this case the shares in question, valued at half a million dollars, were seized and libelled by United States District Attorney SMITH. Their condemnation was claimed as being the property of LEROY M. WILEY, a resident of the South, and who, it was claimed, was an alien enemy. Mr. WILEY put in an answer and prepared to defend the claim. His answer was stricken out by Judge BETTS, on the ground that Mr. WILEY was an enemy, and therefore, had no standing in court, and the property was, therefore, declared forfeited to the United States. An appeal was taken to this court, and the plea was reversed, because, among other things, the property, being stock of an Illinois corporation, was not within the jurisdiction of a court of this district, and because Mr. WILEY, the claimant, even if an "*alien enemy*," had a right to be heard.

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

SURRENDER OF KIRBY SMITH AND THE TRANS-MISSISSIPPI—EMIGRATION OF CAPITAL TO THE SOUTHWEST—GOVERNMENT INTERFERENCE WITH FINANCIAL MATTERS—CERTIFIED CHECKS, ARE THEY MONEY?—RETURNS OF THE BANKS OF NEW YORK—OF THE PHILADELPHIA BANKS—OF THE BANKS OF THE STATE OF NEW YORK—OF THE BOSTON BANKS—OF THE OHIO BANKS—OF THE NATIONAL BANKS—TREASURY CIRCULAR—ESTIMATE OF SPECIE ON DEPOSIT IN UNITED STATES—RETURNS OF BANKS OF ENGLAND AND FRANCE, ETC., ETC.

THE surrender of KIRBY SMITH and the organized insurgent forces west of the Mississippi, consumates the close of the war, and were the vexed questions of reconstruction, negro status, etc., disposed of, and a state of security inaugurated in those regions, nothing could prevent a large emigration of capital to the South and southwest for employment. Some time, however, will necessarily have to elapse before our old relations with these sections of the country can be re-established. Meanwhile a good deal of lawlessness will prevail, and capital will be frightened away. The Texans and Western Louisianians, too, owe considerable sums to Northern merchants, especially in Galveston, Houston, San Antonio, etc., and the latter will be apt to keep themselves on the alert for settlements. New credits, if given at all, will hardly exceed in the aggregate the amounts now due to the North; so that any new movement of capital from the Northern States into those regions, beyond exchanges of credits to and fro, is probably a remote occurrence.

Our greenback currency, though, must make its way there, and supplant the miserable stuff which the Confederate Government once imposed upon them; and to this extent must prevent its redundancy from being felt here. In view of the daily increasing volume of National Bank circulation, this question of redundant currency is destined never to leave its hold upon the interests of the people of

this country until those institutions have stood the test of a panic in United States stocks; and even then it will only be shelved until such a reform is effected in banking legislation, that Government shall have no more power to legislate on the subject of banks than it now has on the subject of insurance companies.

This tendency of our Government to interfere in these matters makes it neglect its most important function—that of the administration of justice. In no country in the world where people are so intelligent and so public-spirited, where, in former times, at least, political freedom was so jealously guarded, where material progress has such a brilliant record, is the rate of interest so high as it is in the United States. And this results solely from the notorious mal-administration of justice which prevails here. Not to speak of the arbitrary code which prevailed during the war, we have Lynch law in all the Western and Southern States, and sometimes within hail of the Circuit Courts in the most populous States. The laws for the collection of debt vary in every State; and are very bad in most of them. Suits, before civil justices even in this State, (where their jurisdiction extends to all cases involving $250 or under,) are decided more through good-fellowship, political affinity, or even worse motives, than by virtue of law and evidence. Suits against corporations are hardly ever to be won in any part of the country, except, perhaps, in New England and the rural parts of the Middle States. Indeed, the dispensation of justice is so wretched, that merchants and bankers are afraid to litigate.

If Government, then, instead of doctoring banking systems and printing bank notes, turned its attention to doctoring the laws, and printing the Statutes at Large, it would find much more useful and profitable employment.

The Commissioner of Internal Revenue has decided that certified checks are money, and has notified the Banks that the amount of these instruments issued by them shall be returned to the department to be taxed as a portion of their circulation. According to the letter of the law the Commissioner is right, for it includes all "certified checks calculated or intended to circulate, or to be used as money." But the writer of the law was evidently in a fog when he framed it, and Congress not on the alert when they passed it; for it is difficult to conceive wherein a certified check differs, in respect to its circulation or use as money, from a check which is not certified. The truth is, neither a check which is certified, nor one which is not certified, is intended to "circulate, or to be used as money," in the common acceptation of the term money. Nor are they. Generally but one and rarely more than two persons use any check before presenting it at Bank for redemption. Scientifically, checks are money; but so are promissary notes and book credits. In the meaning of the law, though, they are not money, and the Commissioner has decided wrongly. The evident intention of the law was to prevent any evasion of the tax on bank notes by the circulation of instruments which might be drawn in the form of certified checks, but which would really constitute circulating bank notes. This trick has, as yet, only been attempted by a Bank in New Brunswick anxious to circulate its paper in this country; but none of our State Banks have resorted to it; and their certified check system could only be disturbed through a most arbitrary construction of the law. But this question will probably be settled by all the State Banks going over to the national system.

The following are the returns of the New York City Banks during the past month:

NEW YORK CITY BANKS.

(*Capital, Jan.*, 1864, $69,494,577; *Jan.*, 1865, $69,658,737; *April*, $76,658,737.)

Date.	Loans.	Specie.	Legal tender.	Circulation.	Net Deposits.	Clearings.
Dec. 24,	$203,512,093	$20,600,441	$.....	$3,383,346	$153,805,909	$593,336,187
" 31,	199,444,969	19,662,211	.....	3,283,832	147,442,071	471,039,253
Jan. 7,	195,044,687	20,152,892	.....	3,183,526	147,821,891	535,055,671
" 14,	189,686,750	21,357,608	.....	3,074,029	148,931,299	538,780,682
" 21,	187,060,586	20,211,569	.....	2,979,851	146,068,355	611,194,907
" 28,	169,502,630	18,174,316	.....	2,906,194	143,842,230	656,828,378
Feb. 4,	185,639,790	19,682,308	.....	2,868,646	152,703,316	663,814,434
" 11,	185,515,904	20,297,346	.....	2,821,996	156,711,166	584,179,409
" 18,	186,365,126	20,682,319	.....	2,855,982	156,150,634	518,305,223
" 25,	183,534,735	20,092,378	.....	2,739,388	153,948,481	481,028,121
Mar. 4,	186,569,665	19,530,188	.....	2,720,666	153,009,588	511,361,337
" 11,	188,120,890	20,737,838	26,713,408	2,741,684	152,134,448	412,302,453
" 18,	211,486,651	22,256,596	33,645,014	4,662,505	174,479,367	635,736,233
" 25,	207,677,503	22,066,524	35,295,156	4,457,162	166,965,508	604,796,726
Apr. 1,	204,458,355	20,584,668	42,989,382	4,888,980	173,350,491	509,148,691
" 8,	204,153,839	20,045,976	46,424,957	4,773,528	174,850,185	483,653,634
" 15,	206,508,095	19,533,734	51,061,462	4,757,862	177,815,945	427,761,675
" 22,	204,723,195	19,122,288	57,954,937	4,700,210	184,244,399	272,740,215
" 29,	204,277,573	19,049,913	66,096,274	4,660,659	196,188,733	359,950,814
May 6,	213,172,277	20,088,399	66,258,849	4,886,937	200,466,735	503,899,215
" 13,	218,502,980	23,553,231	61,052,537	4,889,562	203,369,886	511,914,441
" 20,	219,810,780	23,194,402	55,625,517	5,032,944	203,854,725	510,767,355
" 27,	212,445,121	23,063,929	54,524,078	5,068,693	197,081,017	429,221,799

The deposit and discount lines are seen to have dropped six or seven millions since May 22d. This is due to the withdrawal of Government deposits in such of the institutions as are doing business under the National Banking Law.

The money market has, in consequence, rather tightened up. The rate of interest having advanced, within the last week of the month, from five per cent to 6 a 7 on call loans.

The following are the returns of the Philadelphia banks:

PHILADELPHIA BANKS.

(*Capital, Jan.*, 1863, $11,740,080; 1865, $13,315,720; *Feb.*, 1865, $14,485,450.)

Date. 1865.	Loans.	Specie.	Circulation.	Deposits.	Legal tenders
Jan. 2,...	$48,059,403	$1,803,583	$2,798,463	$39,845,963	$14,524,175
" 9,...	49,250,629	1,781,108	2,978,035	41,001,803	15.297.223
" 16,...	49,833,799	1,760,669	3,228,785	43,121,208	17 003,905
" 23,...	49,755,716	1,792,891	3,606,051	40,186,513	15,939,598
" 30,...	50,056,584	1,778,266	4,010,192	59,822,860	15,572,893
Feb. 6,...	50,269,473	1.702,776	4,393,173	38,496,337	14,000,852
" 13,...	49,511,683	1,629,957	4,660,697	37,340,531	14,295,547
" 20,...	48.639,386	1,569,223	4,866,771	37,141,900	13,922,954
" 27,...	48,992,272	1,498,644	5,077,436	39,011,100	15,398,502
Mar. 6,...	49,228,540	1,389,264	5,446,021	38,391,622	15,200,287
" 13,...	49,297,223	1,422,736	5,906,791	38,655,903	15,487,885
" 20,...	48,976,280	1,323,274	5,609,276	38,673,804	15,796,733
" 27,...	50,255,294	1,350,968	5,736,660	39,117,258	16,866,146
April 4,...	50,268,729	1,344,223	5,893,626	38,316,847	17,087,645
" 11,...	50,225,821	1,249,282	6,133,397	39,366,445	17,312,697
" 17,...	50,810,519	1,236,333	6,282,343	41,187,764	17,991,294
" 24,...	50,819,081	1,223,798	6,313,889	42,591,060	19,188,676
May 8,...	51,172,847	1,297,558	6,430,742	45,158,284	19,576,916
" 16,...	52,678,146	1,286,404	6,447,961	47,695,971	20,300,826
" 23,...	52,978,259	1,264,618	6,585,003	44,831,378	20,919,610

The annexed quarterly statement of the Banks of the State of New York is from the Albany *Evening Journal:*

RESOURCES.

	Dec. 31, 1864.	March 25, 1865.
Loans and discounts	$196,649,246	$159,665,827
Overdrafts	866,154	709,265
Due from banks	22,916,031	18,628,244
Due from directors	9,226,712	8,182,724
Due from brokers	11,042,835	6,897,650
Real estate	8,142,807	7,070,085
Specie	20,239,286	19,490,230
Cash items	92,514,882	89,862,155
Stocks, promissory and U. States 7 3-10 notes and indebtedness certificates	120,459,776	92,038,059
Bonds and mortgages	4,073,797	3,710,775
Bills of solvent banks and U. S. demand notes.	20,261,810	27,957,014
Bills of suspended banks	2,643	2,718
Loss and expense account	2,260,786	1,208,900
Add for cents	877	827
Total	$488,388,125	$420,344,099

LIABILITIES.

Capital	$106,690,761	$90,492,828
Circulation	31,180,546	27,550,203
Profits	28,345,347	22,085,269
Due banks	45,205,682	36,211,772
Due individuals and corporations other than banks and depositors	2,107,764	1,141,628
Due Treasurer State of New York	3,144,210	3,547,917
Due depositors on demand	269,042,097	236,961,586
Due others not included in above heads	2,671,197	2,232,763
Add for cents	521	445
Total	$488,388,125	$420,274,411

Two hundred and eighty-nine banks reported; fourteen banks, which had organized as National Banks, prior to the 25th of March last, did not report. Up to and including the 15th inst., seventy-eight banks of the two hundred and eighty-nine reporting, have given notice to the Bank Department of their intention to close their affairs as State Banks. It will be noticed, perhaps, that the liabilities in the above statement exceed the resources by a small amount. This is occasioned by two closing banks, which had also become National Banks, merely reporting the securities in hand in the Department and their outstanding circulation. The fourteen banks which did not report have securities, (according to the books of the Department,) deposited with the Superintendent amounting to $1,807,882, against which is charged—circulation, $1,740,633.

The following are the returns of the banks of Boston, except those which have reorganized under the National Law. They make no returns. Their circulation is, however, included in these figures. With the other National Banks, they number about thirty institutions:

BOSTON BANKS.

BOSTON BANKS. (*Capital, Jan.*, 1863, $38,231,700; *Jan.*, 1865, $22,350,000.)

Date. 1865.	Loans.	Specie.	Circulation.	Deposits.
January 2.....	$46,312,701	$3,424,323	$7,766,888	$23,086,775
" 9.....	33,707,472	2,903,469	7,803,528	16,772,600
" 16.....	33,444,460	2,862,939	7,529,229	15,926,720
" 23.....	33,160,490	2,797,093	7,126,253	16,068,310
" 30.....	33,025,868	2,659,568	6,792,950	16,343,192
February 6.....	25,609,695	2,245,510	6,581,880	12,641,033
" 13.....	23,609,664	2,087,995	6,345,912	11,031,733
" 20.....	23,533,879	2,089,669	5,094,870	10,621,322
" 27.....	22,872,774	1 932,769	6,278,194	9,789,000
March 7.....	22,825,217	1,877,323	5,843,974	9,961,545
" 14.....	21,224,401	1,700,714	5,580,219	9,436,578
" 21.....	21,206,180	1,524,401	5,435,928	9,393,224
" 28. ...	20,952,000	1,426,700	5,279,700	8,958,800
April 3.....	20,749,643	1,385,954	5,099,538	9,264,451
" 10.....	19,047,885	1,258,019	5,898,609	9,036.604
" 17.....	19,222,460	1,178,336	4,788,295	9,185,149
May 23.....	5,929,000	610,000	3,612,000	3,021,000
" 30.....	5,726,428	626,584	2,975,173	2,731,794

From the wholesale change of State Banks into National Banks these returns now scarcely possess any value. The capital of the Banks of Boston is now reduced to $3,100,000 from $22,350,000 in January last. Very soon there will be no State banking institutions in the city.

Quarterly statement of the Banks of Ohio, exhibiting the condition of the several incorporated banking institutions of the State of Ohio, on the first Monday of May, 1865, as shown by their returns made, under oath, to the Auditor of State. The leading items compare with the last report, that of February 1 last, and the 1st of May, 1864, as follows:

	May 1, 1865.	Feb. 1, 1865.	May 1, 1864.
Specie.....	$369,690	$582,870	$1,370,804
Loans.....	5,527,160	8,294.302	11,456,954
Capital.....	2,692,800	3,808,650	4,640,825
Circulation	2,693,912	3,762,918	5,941,679
Individual deposits	7,324,093	8,754,887	11,167,217
Eastern deposits.....	1,577,508	1,875,522	2,648,462

The changes in the capital and run of individual deposits are, in great part, attributable to the transfers to the national system, and these are most prominent in the State Bank.

The following table exhibits the aggregate National Bank circulation:

NATIONAL BANKS.

Number, capital, and circulation quarterly to the end of 1864, and periodically to date in 1865.

Date.	Banks.	Capital.	Circulation.
October, 1863.....	94	$7,184,715	.....
January, 1864.....	137	14,523,721	$29,155
April, 1864.....	357	42,204,474	12,144,650
July, 1864.....	469	75,213,945	25,825,665
October, 1864.....	524	89,339,400	51,394,150
January, 1865.....	681	143,641,400	76,309,890
January 7, 1865.....	685	145,524,560	78,724,520
" 21, ...	736	169,099,296	83,058,200

February 4,	782	179,121,296	87,288,300
" 18,	815	186,041,726	93,666,380
March 4,	855	192,049,736	99,325,600
" 18,	908	202,944,486	104,750,540
April 1,	973	225,246,800	111,684,670
" 8,	993	232,064,150	114,524,000
" 22,	1,041	246,054,170	119,961,800
May 6,	1,116	261,954,170	126,360,330

The following circular has been issued by the Hon. FREEMAN CLARK, for the purpose of adjusting the circulation of the National Banks:

TREASURY DEPARTMENT, OFFICE OF COMPTROLLER OF THE CURRENCY, WASHINGTON, May 6, 1865.

SIR: You are requested to make a statement, as indicated in the inclosed form, exhibiting—

First, The amount of your circulation as a State Bank outstanding, at the date of the conversion of your bank to the national system.

Second, The amount of such circulating notes outstanding May 15, 1865. You are also requested to specify, as a separate item, in your regular monthly report, the amount of State Bank circulation outstanding at the date of such statement. This information is necessary in order to determine the amount of national currency that may be issued to your Bank without exceeding the ratio prescribed by the amendment to section 21 of the currency act, passed March 3, 1865. In future it will be requisite, in order to avoid confusion or misunderstanding, to send with each order for national currency, a statement of the amount of notes of your old Bank outstanding at the date of the order.

F. CLARK, Comptroller of Currency.

The following is the estimated stock of gold on deposit in the various banking institutions in the city:

New York banks and Sub Treasury on May 1	$39,897,087
Deduct for exports about	6,500,000
Balance	$33,397,187
Specie in Boston banks	2,500,000
Specie in Philadelphia banks	1,285,000
Specie in Wisconsin banks	1,300,000
Specie in Illinois banks	1,800,000
Specie in other banks in the loyal States	5,900,000
Total	$46,182,187

The following are the returns of the Bank of England:

THE BANK OF ENGLAND RETURNS (IN POUNDS STERLING).

Date. 1865.	Circulation.	Public Deposits.	Private Deposits.	Securities.	Coin and Bullion.	Rate of Discount.
Dec. 7,...	20,118,116	6,468,544	12,666,764	28,726,674	13,840,691	7 per ct.
" 14,...	19,669,832	7,161,719	12,267,474	28,301,603	14,122,711	6 "
" 21,...	19,669,007	7,694,616	12,927,807	29,326,027	14,307,760	6 "
" 28,...	19,810,455	8,601,125	13,040,643	30,708,083	14,100,974	6 "
Jan. 4,...	21,007,215	8,500,269	13,874,977	32,832,904	13,938,592	6 "
" 11,...	21,012,778	4,445,535	16,174,166	30,957,880	14,097,390	5½ "
" 18,...	21,223,548	4,186,614	14,658,015	29,292,273	14,168,227	5½ "
" 25,...	20,614,794	4,836,799	14,553,933	29,173,458	14,317,215	5 "

Feb. 1,...	20,998,478	5,541,452	14,447,994	30,040,983	14,461,224	5	"
" 8,...	20,743,805	6,252,892	13,814,063	29,908,102	14,511,611	5	"
" 15,...	20,399,763	6,572,512	13,969,659	30,007,199	14,553,871	5	"
" 22,...	20,101,978	6,665,864	14,140,885	29,910,491	14,600,233	4½	"
Mar. 1,...	20,381,080	6,854,409	14,158,331	30,424,108	14,801,267	4½	"
" 8,...	20,281,455	7 677,728	13,904,702	30,949.096	14,758,607	4½	"
" 15,...	20,095,563	8,348,481	13,785,825	31,204,694	14,882,258	4½	"
" 22,...	20,028,891	10,198,989	13,551,794	32,384,622	15,308,636	4½	"
" 29,...	20,388,744	9,839,430	13,478,242	32,271,054	15,358,999	4	"
April 5,...	21,352,503	9,331,615	14,172,353	32,723,269	15,255,433	4	"
" 12,...	21,750,643	5,826,354	15,414,509	31,226,403	14,937,379	4	"
" 19,...	21,428,819	6,020,989	14,700,220	30,358,910	14,974,010	4	"
" 26, ..	21,438,377	6,298,382	13,965,270	30,139,409	14,754,795	4	"
May 3,...	22,072,011	6,712,465	14,059,280	31,356,348	14,679,974	4½	"
" 10,...	21,701,380	7,349,114	13,760,032	31,149,978	14,862,102	4½	"

The following are the returns of the Bank of France:

BANK OF FRANCE.

		Loans.	Cash and Bullion.	Circulation.	Deposits.	Interest.
December	8	fr.566,921,053	fr.355,640,597	fr.722,291,475	fr.178,968,028	5
"	15	586,521,733	351,562,024	739,383,125	161,270,492	5
"	22	561,603,376	364,008,378	721,487,475	153,193,515	4½
"	29	597,157,830	359,969,767	726,212,275	171,321,867	.
January	5	690,129,259	330,071,918	790,526,625	190,488,131	4½
"	12	677,690,909	314,771,593	806,325,675	153,188,384	4½
"	19	667,121,414	318,170,064	817,443,275	142,120,960	4½
"	26	642,779,237	322,119,477	808,283,925	139,123,008	4½
February	2	651,375,290	318,454,492	812,425,525	143,430,627	4½
"	9	636,303,905	339,240,543	805,966,575	153,039,752	4
"	16	604,140,057	354,573,163	801,601,175	139.995.788	4
"	23	584,895.098	371,630,673	785,025,125	150,235.834	4
March	2	569,812,574	381,455,854	772,877,175	192,866,298	4
"	9	544,867,920	410,774,986	773,843,825	166,985,971	3½
"	16	514,175,658	424,981,230	777,523,125	153,467,097	3½
"	23	509,473,256	445,864,708	774,556,625	148,899,173	3½
"	30	533.202,250	456,899,812	764,788,125	158.286,600	3½
April	6	520,398,578	454,945,861	786,434,775	167,028,900	3½
"	13	522,800,231	432,776,299	806,557,975	130,834,687	3½
"	20	533,509,141	430,925,270	811,751,175	132,941,333	3½
"	27	532,804,786	422,621,708	808,818,275	151,124,075	3½
May	4	541,445,768	451,698,249	812,077,975	172,371,532	3½
"	11	523,453,076	460,963,977	817,660,875	168,218,664	3½

The Bank of France returns, though favorable in a purely banking point of view, are unfavorable to commerce. They show a constant accretion of coin and bullion, a heaping up of deposits, and a falling off in loans.

STATISTICS OF TRADE AND COMMERCE.

COMMERCE OF THE SANDWICH ISLANDS.

THE annual commercial statistics, prepared by the Collector General of Customs, show that the commerce of the Sandwich Islands has made an enormous stride during the year 1864, having increased about *fifty* per cent. in the foreign imports and *sixty* per cent. in the exports over the previous year. This increase is mainly attributable to the rapid and extraordinary development of the *sugar interests*. It will be remembered that in the November number of last year of the *Merchant's Magazine*, we gave a very able paper on "The Sandwich Islands and their Sugar Crop," showing that there was no reason why the Hawaiian group should not assume in the Pacific Ocean the same relative position to the markets of the Western coast of America, which Cuba bears to those of the Eastern, and Mauritius to Great Britain. We now see that under the stimulus of high prices decided progress is being made, and with fertile soil, cheap land, labor at moderate prices, and a ready sale, we trust that we may be able another year to record even greater progress. The following table, prepared by the editor of the Honolulu *Commercial Advertiser*, will show the comparative exports of sugar and other principal articles the past three years:

EXPORTS OF LEADING ARTICLES FROM SANDWICH ISLANDS.

	1862.	1863.	1864.
Sugar, lbs	3,005,603	5,292,121	10,414,441
Molasses, galls	113,977	89,764	331,923
Rice, lbs	111,008	128,451	319,335
Paddy, lbs	801,699	598,291	105,320
Hides, lbs	582,758	477,422	355,651
Goat skins	53,076	43,646	32,333
Coffee, lbs	146,463	133,171	50,083
Cotton, lbs	None.	3,122	2,518
Pulu, lbs	738,064	425,081	643,437
Tallow, lbs	242,942	282,640	189,700
Fungus, lbs	301,417	279,158	368,335
Wool, lbs	119,927	233,163	196,667

From the above it will be seen that the exports of sugar have doubled the past year, and the total crop, for 1864, is estimated at from eleven to twelve million pounds. The coming year it is thought that it will reach as high as twenty million pounds. Molasses also shows a gain. The cultivation of cotton, however, does not appear to have succeeded. Rice from the Sandwich Islands always commands a high price in California, and, in fact, in all foreign markets it is acknowledged as equal to any offered for sale; the cultivation of it, therefore, must, we think, increase.

The total value of exports, imports, &c., the past three years, are given in the *Commercial Advertiser* of Honolulu, as follows. The figures for previous years

may be found in the April number, 1864, of the *Merchant's Magazine*, page 321, (Vol. 50, page 321).

COMMERCE OF SANDWICH ISLANDS.

Year.	Total Imports.	Total Exports.	Domestic Produce Exported.	Foreign Merchandize Re exported.	Total Custom House Receipts.
1864..	$1,712,241 61	$1,662,181 49	$1,113,328 81	$548.852 66	$159,116 72
1863..	1,175,493 25	1.025,852 74	744,418 54	281,439 20	122,752 68
1862..	998,289 67	838,424 61	586,541 87	251,382 74	107,490 42

Year.	Oil and Bone Transhipped. Galls. Sperm.	Galls. Whale.	Lbs. Bone.	Number National Vessels.	Merchant Vessels. No.	Tonnage.	Number Entries Whalers	Gallons Spirits Consumed
1864..	33,860	608,502	339,331	9	116	75,389	140	10,237
1863..	56,687	675,344	337,043	7	88	42,030	102	7,862
1862..	12,522	460,407	193,920	7	113	48,687	73	8,940

The figures giving the number of Custom House entries of whalers, at various ports, include all the entries at different ports of any and all whalers. Some of the vessels enter at several different ports during the year, and each entry, is counted in making up the above total. The actual number of different whalers arriving during the Spring of 1864, was fifty vessels, and during the Fall was fifty-seven, making a total of one hundred and seven.

MICHIGAN CENSUS RETURNS OF 1864.

POPULATION AND PRODUCTIONS.

THE State census of Michigan for 1864 is just published, and we are indebted to the Hon. GEO. H. HOUSE, Deputy-Secretary of State, for a copy of the report. There is in population a gain of 54,632 since 1860, the returns for 1860 giving the number at 749,113, and those for 1864 at 803,745; but whether the returns for 1864 include the soldiers now in the army, the published volume does not state.

We give below a table showing the production of grain and wool of each country according to the census of 1864, and the population in 1854, 1860, and 1864:

Counties.	Population. 1864.	1860.	1854.	No. bushels of wheat raised. 1863.	No. bushels of all other kinds grain raised. 1863.	No. lbs. of wool sheared. 1863.
Allegan.....	18,831	16,089	7,804	210,464	79,882	65,515
Alpena.....	674	290	New	.....	.....	.....
Antrim	382	179	Not Or	676	268	.....
Barry	14,483	14,020	7,821	272,306	88,127	130,719
Bay	5,807	3,164	....	1,291	1,591	302
Berrien.....	25,856	22,323	13,847	341,363	110,657	53,421
Branch	22,458	20,410	15,724	407,949	69,057	259,817
Calhoun.....	30,488	31,409	22,768	835,583	119,359	448,459
Cass.....	17,776	17,720	13,124	397,741	110,278	114,827
Cheboygan.....	483	517	272	1,261	1,557	.....
Chippewa.....	1,158	1,603	1,962	1,081	4,204	4,980
Clinton	14,739	13,926	7,926	98,903	117,482	125,931

Delta.....	561	1,172	New	15	1,900	.....
Eaton	16,497	15,895	10,965	165,454	108,019	202,438
Emmet.....	1,325	1,149	4,977	750	1,677	8
Genesee	22,776	22,600	15,676	117,826	180,665	289,018
Grand Traverse.	2,017	1,286	517	12,154	4,000	191
Gratiot	5,831	4,042	116	18,871	21,243	11,434
Hillsdale.....	27,324	25,876	19,188	479,869	111,818	366,628
Houghton	8,225	5,599	543	.....	2,470	.....
Huron	3,961	3,165	702	13,784	7,796	1,266
Ingham.....	17,128	17,521	11,222	181,302	110,058	206,540
Ionia.....	17,984	16,682	10,727	214,562	103,443	189,689
Iosco	395	175	New	.....	.....	.....
Isabella.....	1,844	1,443	New	3,261	3,266	366
Jackson.....	25,905	26,671	21,855	733,558	101,912	596,117
Kalamazoo.	25,842	24,651	16,893	682,082	126,585	274,390
Kent.....	33,458	30,721	17,869	336,374	119,210	168,105
Keweenaw	5,180	3,653	2,873	80	900	44
Lapeer	15,247	14,754	9,704	168,715	120,551	176,113
Leelanaw	2,389	2,158	With	2,975	4.495	9
Lenawee.....	40,202	38,582	31,148	477,825	210,622	489,268
Livingston.....	16,174	16,851	14,185	290,734	120,346	358,586
Mackinac.	1,335	1,938	1,873	80	685	.....
Macomb	22,404	22,843	18,114	220,732	275,163	300,588
Manistee.....	1,673	975	394	950	737	5
Manitou.....	....	1,043	New	....	...	.....
Marquette.....	3,724	2,821	....	....	6	263
Mason.....	844	831	....	572	1,512	500
Mecosta	1,382	880	New	4 877	7,688	304
Menominee.....	496	....	....	150	1,100	65
Midland.....	1,244	787	....	2,812	4,351	361
Monroe.....	22,221	21,596	18,122	179,606	182,764	124,596
Montcalm	5,619	3,968	2,060	56,525	19,248	18,658
Muskegon	5,812	3,947	1,855	16,678	10,077	2,175
Newaygo	3,481	2,760	979	19,317	15,596	2,741
Oakland	33,735	37,720	31,884	605,590	349,616	696,987
Oceana	2,379	1,816	....	7,459	2,611	187
Ontonagon	5,406	3,973	3,662	26	1,245	1
Ottawa	15,156	13,215	7,137	87,885	56,207	25,726
Saginaw	19,681	12,693	1,053	20,542	54,204	10,480
Sanilac	8,853	7,599	3,529	39,211	55,187	11,297
Shiawassee.....	13,465	12,359	7,419	109,301	76,236	134,188
St. Clair	27,591	26,750	16,897	102,207	211,464	68,730
St. Joseph.....	21,796	21,108	15,087	517,495	72,612	168,641
Tuscola.....	6,983	4,886	1,504	36,385	27,763	9,735
Van Buren.....	17,830	15,224	8,300	295,135	77,447	56,588
Washtenaw	34,048	35,659	28,836	714,909	259,054	897,509
Wayne	83,326	74,727	65,778	181,145	317,240	196,421
Unorga'd count's	1,195	330	....	1,319	1,398	19
Total.....	805,379	748,645	513,893	9,687,627	4,195,244	7,249,934

SALT.—PROGRESS IN THE MANUFACTURE.

The progress made in the manufacture of salt has been very rapid. This is made particularly evident when compared with the production of the Onondaga and Virginia Salt Springs.

The manufacture of salt was commenced at the Onondaga Salt Springs, in New York, June 20, 1797.

Salt made 1st year	5,095	barrels.
" 20th " 1816	69,733	"
" 40th " 1836	382,572	"
" 41st " 1837	433,455	"
" 66th " 1862	1,810,775	"

At Kanawha, Virginia, salt was manufactured as early as 1804.

Made in 1829	barrels	130,000
" 1860		700,000

SALT MADE IN SAGINAW, MICHIGAN.

1st year, 1860	barrels	4,000
2d " 1861		125,000
3d " 1862		243,000
4th " 1863		466,356
5th " 1864		529,073

The first investment in the salt business on Saginaw River, was by the East Saginaw Salt Manufacturing Company, at East Saginaw, in 1859. Present value of the salt investment in the Saginaw River district, nearly two and a-half million dollars—about the same value it was estimated all the salt works in the Onondaga district would hold at the end of the year 1860. [Report Supt. Onondaga Salt Springs for 1859, p. 15.]

Fifty years of progress in the manufacture of salt in the Kanawha Valley, did not equal the progress made in four years in Saginaw Valley; and forty-two years of progress at the Onondaga Salt Springs, the leading salt producing locality in the United States since 1797, did not equal the progress made there in five years.

SALT BUSINESS OF 1864.

The following is a summary of the salt business in Michigan for the year 1864:

Number of companies in operation	67
" of blocks	118
" of kettles	4,210
" of solar covers	4,949
" of acres land	9,475¼
Investment	$2,269,500
Salt made in 1864 barrels	529,073
Men employed	892
Cords of wood consumed	109,348
Aggregate value of wood	$286,545
Value of barrels used	$238,074
Aggregate value of salt at shipping point	$1,190,410

The disproportion between the aggregate value of wood and the number of cords given, is explained by the fact that many works where mill fuel is used, have given the value without any estimate as to number of cords. As at present carried on, the demand for wood for salt manufacture in the Saginaw Valley will require each year the timber off from about 3,000 acres of land.

MANUFACTURES.

We are told in the published report that the State census has always been very incomplete in its returns with respect to its manufactures. Hundreds of

manufactories, of various classes, have either made but partial returns, or none whatever. Additional legislation, and a better appreciation of the importance of correct statistical information, is required to insure full and accurate returns hereafter. We give, however, the following table from the Report:

MANUFACTORIES NOT HEREAFTER ENUMERATED.

	Census of 1854.	Census of 1864.	Aggregate increase.	Per ct. increase.
Steam power	Not returned	303	.....	....
Water power	Not returned	139	.....	....
Persons employed	5,769	8,142	2,373	41.1
Capital invested	$2,832,965	$5,532,619	$2,399,654	84.7
Value of products past year	$3,604,712	$9,326,795	$5,722,083	158.7

FLOURING MILLS.

Number of mills	254	398	144	56.7
Steam power	25	74	49	196.0
Water power	220	323	103	46.8
Runs of stone	618	975	357	57.8
Persons employed	604	1,040	436	72.2
Barrels of flour past year	998,503	1,319,923	321,420	32.2
Capital invested	$1,828,006	$2,840,925	$1,012,919	55.4
Value of products past year	3,567,978	$6,572,136	$3,004,158	84.2

SAW MILLS.

Number of mills	922	1,073	151	16.4
Steam power	271	531	260	95.9
Water power	618	521	*95	*15.4
Persons employed	4,579	7,747	3,168	69.2
Feet of lumber sawed past year	392,920,714	621,477,904	228,557,190	58.2
Capital invested	$2,442,578	$6,109,070	$3,666,492	150.1
Value of products past year	$3,273,086	$8,363,550	$5,090,514	155.5

BREWERIES.

Number of breweries	28	95	67	239.3
Barrels beer made preceding year	36,392	54,926	18,534	50.9

DISTILLERIES.

Number of distilleries	13	11	*2	15 4
Gallons liquor made preced'g year	260,340	284,334	23,992	9.2
Gallons wine made preceding year	1,216	5,551	4,336	356.9
Barrels cider made preced'g year.	2,830	64,816	61,986	2186.7

* Decrease.

COMMERCIAL REGULATIONS.

DECISIONS OF THE COMMISSIONER OF INTERNAL REVENUE.

THE following are official copies of the decisions of the Commissioner of Internal Revenue the past month:

[Circular No. 29.]

REGULATIONS WITH REGARD TO THE DUTIES ON WINES AND MANUFACTURED LIQUORS.

Treasury Department, Office of Internal Revenue,
Washington, April 6, 1865.

The act of June 30, 1864. provides that on wine made of grapes a duty of 5 cents per gallon shall be levied, collected and paid.

On all other wines, or liquors known or denominated as wine, not made from currants, rhubarb, or berries, produced by being rectified or mixed with other spirits, or into which any matter whatever may be infused, to be sold as wine, or by any other name, and not otherwise provided for in this act, a duty of 50 cents per gallon.

Under these provisions, all wines made or produced from grapes, and sold, or removed for consumption or sale, or for delivery to others than agents of the manufacturers or producers, were liable to a duty, under the act of June 30, 1864, of five cents per gallon. All wines made from currants, rhubarb, or berries, without the mixture or infusion of any other spirits, were liable to an ad valorem duty of 5 per centum. All other wines, or liquors known or denominated as wine, whether sold under the name of "wine," or by any other name, were liable to a duty of fifty cents per gallon.

The same regulations for the return, assessment, and collection of the duties on manufactures in general, under the 94th section, were and are applicable to wines made dutiable under said section, and will be observed as though made specially in reference to such wines.

By the act of amendment of March 3, 1865, on and after the first day of April the duty on wine made of grapes will be 6 cents per gallon; on wine made from currants, rhubarb, or berries, &c., 6 per cent ad valorem; and on all other wines, &c., 60 cents per gallon.

Monthly returns will be required by the assessor from the manufacturer or producer of wines, whether the same are the product of the vintage and the garden, or made by any process of mixing, rectifying, or refining, and the taxes must be assessed thereon according to the above rates, and collectors will make the collection of all such duties so assessed upon wines, in all respects, as upon other manufactured products taxable under section 94.

In addition to the distilled spirits, wines, and imitations of wine, especially provided for and taxed under the 55th and 94th sections of the act of June 30, 1864, as amended by the act of March 3, 1865, there is another class of liquors manufactured and sold as imitations of Bourbon whiskey, brandy, gin, &c., for which the law has made no special provisions. These liquors are made from domestic whiskey after the same has been rectified, by leaching through tubs containing charcoal, or by redistillation, and afterwards reducing the proof of the pure spirits, and adding essences, flavoring extracts, and coloring matter. The leaching or redistillation of raw spirits in its ordinary state does not make the product liable to any additional excise tax; but every distiller, rectifier,

brewer, or other person or persons, who, by the processes named, or by any other processes, manufactures liquors for sale under the name of brandy, gin, rum, Bourbon, or any other assumed name, or fancy brand, is liable to pay thereon an ad valorem duty of 6 per centum, under the general provisions of the 94th section, as manufactures not otherwise provided for.

It will be the duty of the assessor to require every distiller, rectifier, brewer, or other person engaged in the manufacture or production of any spirituous liquors, or imitations as above, to make monthly returns in the same manner, and at the same time, as provided for other manufactures taxable under the 94th section.

If it is at any time ascertained that any articles of the character herein described have been heretofore manufactured and sold, or removed for consumption or sale, without being regularly returned for taxation, the assessor will take immediate steps for obtaining the proper returns, or assessing the same; and in case of neglect or refusal, or of fraudulent evasion, will assess the appropriate penalties.

JOSEPH J. LEWIS,
Commissioner.

[Circular No. 30.]

REGULATIONS FOR THE PURCHASE OF SUPPLIES FOR THE USE OF THE UNITED STATES, FREE OF TAX.

Treasury Department, Office of Internal Revenue,
Washington, April 7, 1865.

The following regulations, prescribed by the Secretary of the Treasury, are herewith published for the information of all officers of Internal Revenue.

JOSEPH J. LEWIS,
Commissioner.

Treasury Department, Washington, April 7, 1865.

REGULATIONS.

The seventeenth section of the act of March 3, 1865, provides that the privilege of purchasing supplies of goods imported from foreign countries for the use of the United States, duty free, which now does, or hereafter shall, exist by provision of law, shall be extended, under such regulations as the Secretary of the Treasury may prescribe, to all articles of domestic production which are subject to tax by the provisions of this act. Under this section the following regulations will be observed:

1. *Articles Stored in Bonded Warehouse.*—When any goods which are stored in bonded warehouse are purchased for the use of the United States, under a contract entered into subsequently to the first day of April, A. D. 1865, the officer purchasing the same will, in his official capacity, make a certificate setting forth the fact of such purchase and the date of the same, and embodying a descriptive schedule of the articles, in which they shall be described with sufficient minuteness to allow of their identification and to determine their quantity.

This certificate will be forwarded to the bureau or department on behalf of which the purchase is made; and if the head of such bureau or department shall approve the contract and request a remission of the tax, he will transmit the certificate to the Secretary of the Treasury, with a request for such remission of tax.

If the certificate is found to be in proper form and to set forth the quantity and description of the goods with sufficient clearness to allow of their identification, a permit will be issued for their removal from the warehouse and delivery

to the officer making the purchase. This permit will be delivered to the Collector of Internal Revenue having charge of the warehouse, and will be by him transmitted to the Office of Internal Revenue as his voucher for the cancellation of the warehouse bond under which the goods were stored.

2. *Articles not Stored in Bonded Warehouse.*—When any articles which are subject to an excise tax, and which are not stored in a bonded warehouse, are purchased for the use of the United States directly from the producer or manufacturer of such goods, under a contract entered into subsequently to the first day of April, A. D. 1865, the officer making such purchase will furnish to the manufacturer or producer a certificate similar to that required in the case of bonded articles, but setting forth in addition the price paid under the contract, and the fact that there was a mutual understanding at the time of making the contract that the goods were to be free of tax.

This certificate will be forwarded to the bureau or department on behalf of which the purchase is made; and if the head of such bureau or department shall approve the terms of the purchase, he will transmit the certificate to the Secretary of the Treasury, with a request for the remission of the tax.

If the certificate is found to be in proper form, and to set forth the quantity and description of the goods with sufficient clearness to allow of their identification, a permit will be issued for their delivery to the officer making the purchase without payment of duty. This permit will be accepted by the assessor of the district in which the goods were manufactured, in full discharge of any liability of the manufacturer to an excise tax on account of the manufacture and sale of the articles so purchased for the use of the United States, and in making any assessment against such manufacturer, he will omit the value and quantity of such goods.

H. McCULLOCH,
Secretary of the Treasury.

[Circular No. 31.]

REGULATIONS FOR THE INSPECTION OF TOBACCO, SNUFF AND CIGARS.

Treasury Department, Office of Internal Revenue,
Washington, April 21, 1865.

As it was found that stamps of a suitable character to be used on boxes and packages of cigars could not be conveniently provided prior to the first day of April, it was determined that the alternative mode of marking allowed by the statute should be adopted as a temporary measure. It is now ascertained with reasonable certainty that a sufficient supply of stamps calculated to answer the purposes intended can be had by the first day of June next. It is therefore deemed expedient to apprise revenue officers and manufacturers of cigars that from and after that date these revised regulations, prepared specially in reference to the use of stamps, but adapted to the requirements of the law relating to snuff and tobacco, will take effect, and the regulations heretofore issued, so far as they differ from these, or are inconsistent with them, are to be considered as rescinded. Until the first of June, however, the regulations of the thirtieth of March will continue to be observed.

Tobacco.

Section 91 of the act of June 30, 1864, as amended by the act of March 3, 1865, provides that all manufactured tobacco, snuff, or cigars, whether of domestic manufacture or imported, shall, before the same is used or removed for consumption, be inspected and weighed by an Inspector, who shall mark or affix a stamp upon the box or other package containing such tobacco, snuff or cigars in a manner to be prescribed by the Commissioner of Internal Revenue, denoting

the kind or form of tobacco, and the weight of such package, with the date of inspection and the name of the inspector.

1. By virtue of this section, plug, twist and all other kinds of manufactured tobacco, including cut and granulated tobacco, whether designed for chewing or smoking, snuff and all substitutes for such manufactured tobacco or snuff shall be inspected in the boxes, casks, barrels, bundles or packages in which they are intended to be sold or offered for sale by the manufacturer.

2. Tobacco twisted by hand or reduced from leaf into condition to be consumed without the use of any machine or instrument, and not pressed, sweetened or otherwise prepared will be subject to inspection in the same manner.

3. Where tobacco of any kind is placed in bond it must be presented to the inspector packed in such boxes, barrels or cases as will enable him to brand or mark each box, barrel, or case as required.

4. The inspector will mark with a stencil or branding iron on each box, cask, barrel, bundle or other package of tobacco or snuff inspected by him, the weight and kind of tobacco or snuff contained in each, with the date of the inspection and his name and official designation.

5 The inspector will keep an accurate account of all tobacco and snuff inspected by him, and on the first day of each month return to the assessor of his district a separate and distinct account of the weight and kind of all tobacco and snuff inspected by him during the preceding month, with the dates of such inspections and the names of the persons, firms or companies for whom the same were so inspected.

6. Any Inspector who shall knowingly put upon any box, cask or package, any false or fraudulent mark, is liable to a penalty of three hundred dollars for each box, cask or package so marked. And any person who shall attempt fraudulently to evade the payment of the tax by changing the mark, or who shall purchase or sell any empty box, cask or package, with the Inspector's marks thereon, or who shall fraudulently use the same so marked, shall be subject to a like penalty for each box, cask or package so purchased, sold or used, or upon which the mark was so changed.

Cigars and Cigarrettes.

7. All cigars manufactured, on removal from the place of manufacture, must be packed in boxes by the manufacturer, and all cigars imported must be so packed by the importer; provided that any manufacturer may avail himself of the privilege given him, by the late amendment of section 94, to have cigars counted by the assistant assessor or inspector, and to sell the same unpacked or in bulk in his presence.

8. The inspector will satisfy himself of the number of cigars in each box, and will attach to the box a stamp, or more than one if necessary, expressing in the aggregate the number of cigars and the tax payable thereon, and bearing also his name, official designation and date of inspection.

The requisition for marking the weight does not apply to domestic cigars, but only to those that are imported.

9. The inspector will keep an accurate account of the cigars inspected by him, and on the first day of each month return to the assessor of his district a separate and distinct account of the number of cigars inspected by him during the preceding month, the number of stamps used, the dates of inspections, and the names of the persons, firms or companies, severally for whom the same were so inspected.

10. Under the provisions of the amendatory act in relation to cigarrettes made of tobacco inclosed in a paper wrapper, it is evident that there can be none which can be "valued at not more than five dollars per hundred packages," inasmuch as they must be valued at least at the cost of the tax and making beyond the tax, which is itself five dollars per hundred packages. Cigarrettes therefore made of tobacco inclosed in a paper wrapper, are not subject to inspection as cigarrettes, but subject to duty at the rate of five per cent ad valorem. The

tobacco of which such cigarrettes are made, being a species of manufactured tobacco mentioned in the law, will however be necessarily inspected as manufactured tobacco, and the tax assessed at the rate of thirty five cents per pound.

The term cigarrette, originally the diminutive of cigars, must be confined strictly to its trade meaning which is descriptive of smoking tobacco cut and made fine and inclosed in a paper wrapper. Any so called cigarrette containing any tobacco other than smoking tobacco, cut and made fine or inclosed in any other than a paper wrapper, must be classed and treated as a cigar.

All cigars, cheroots, and cigarrettes, made wholly of tobacco or of any substitutes therefor, are required to be inspected. This will include cigarrettes properly so-called inclosed in tobacco wrappers, and all cigars and cheroots made of tobacco or of any substitutes for tobacco, whether made entirely of tobacco or some substitute therefor, or partly of tobacco and partly of such substitute.

Imported Tobacco, Snuff and Cigars.

11. Imported tobacco, snuff and cigars, are subject to the same rules and regulations relating to inspection, as the same denomination of articles of domestic manufacture, except that the weight of imported cigars is to be marked on the boxes or packages instead of the number.

Bonds of Inspectors.

12. Inspectors are required by the late amendatory act to give bond for the faithful performance of all the duties to which they may be assigned, and to return or account for all stamps which may be put in their hands.

The bonds of inspectors shall be taken by the collectors of the respective districts in such penalties as they may severally require, and with not less than two sureties each, to be approved by the collectors. The collectors shall certify to the sufficiency of the sureties, and transmit the bonds with their certificates to the Commissioner of Internal Revenue for his approval and custody. The Commissioner will, at any time, if he deems the bond of any inspector insufficient in amount or unsatisfactory in any other respect, require other or additional security. Blank bonds in proper form will be furnished by this office.

Fees of Inspectors.

13. The fees of inspectors are in all cases to be paid by the owner of the manufactured tobacco, snuff, or cigars.

They shall be as follows:

For inspection of cigars, twenty-five cents per thousand.

For inspection of tobacco, ten cents per hundred pounds.

For inspection of snuff, one cent for each ten pounds.

For the certificate of cigars sold without inspection, as provided by the amendment to section 94, ten cents per thousand.

For the examination and identification of tobacco received at a bonded warehouse under transportation bond, five cents per hundred pounds.

When this scale shall be found, in any district, to be excessive or inadequate, the scale will be modified upon a report of the circumstances to this office.

Re-Inspection.

14. All manufactured tobacco of any kind which shall be sold or pass out of the hands of the manufacturer, except into a bonded warehouse, without the inspection marks, is liable to seizure and forfeiture. The only exception is that cigars may be sold before inspection under the regulations for that purpose.

But a purchaser of tobacco after inspection may innocently repack the same for sale; although, under the law, the appearance of the tobacco in the market without the inspection marks, is *prima facia* evidence of fraud. In case of repacking, therefore, to avoid suspicion and trouble, such purchasers on application

to the assessor of the district, will be permitted to have such repacked tobacco re-inspected by an Inspector. The inspector shall receive the original boxes, casks, envelopes, or other packages, and destroy the marks or brands thereon; and shall brand or mark the new packages with the word "*re-inspected*," in addition to the words and figures above required; and shall return the amount to the assessor as "re inspected," and not as again taxable.

Stamps.

15. Stamps will be furnished of three denominations, for packages of twenty-five, one hundred, and five hundred cigars each, and representing duties of twenty-five cents, one dollar, and five dollars respectively.

It is supposed that each box will contain twenty-five cigars, or some multiple of that number, agreeably to the present trade custom. But as the inspector cannot control the manufacturer in this, if any manufacturer determine to pack such numbers as cannot be represented by the above stamps, on notice to this office stamps will be provided, and the *fees for inspection will be increased for such lots*.

16. Each Inspector will transmit to the Commissioner of Internal Revenue through the assessor of his district his application for stamps, setting forth his name, his post-office address, his collection district, and the number of each denomination of stamps required by him. This number ought not in general to exceed one month's supply. The application must be endorsed by the assessor of the district, to whom the stamps will thereupon be sent, if the application is approved by the Commissioner. The assessor will deliver them to the inspector, taking his receipt for them in duplicate, one of which he will transmit to this office.

17. If at any time, when an inspector presents his application for a supply of stamps, the assessor shall be of opinion that some other inspector in his district holds more stamps than are needed by him, he will endorse upon such application an order for the transfer of a designated number of stamps; and the inspector receiving such stamps will give a receipt in duplicate in the same manner as provided above, and such receipt will be a sufficient voucher for the inspector delivering such stamps in the settlement of his account.

19. Each of the stamps furnished will bear imprinted upon it a series of months and days, in such manner that the inspector, by a stroke of his brush or pen, under any date, may indicate that as the date of inspection.

Inspectors and Assessors.

20. It will be seen by the foregoing, that it becomes important that assessors and inspectors shall be particularly vigilant that the whole product of each manufactory be returned and accounted for, and that care be exercised in the use and application of stamps, which must also be accounted for.

21. Section 12 of the amendatory act provides that any person required by law to be licensed as a manufacturer of tobacco, snuff or cigars, shall, before said license is issued, give a bond to the United States in such sum as shall be required by the Collector, with one or more sureties, to be approved by the Collector. The amount of such bond should not, in any case, be less than twice the estimated monthly tax to which such manufacturer will be liable. Such bond will be conditioned that the manufacturer will comply with all the requirements of law in regard to any persons, firms, companies or corporations, engaged in the manufacture of tobacco, snuff, or cigars; that he will not manufacture or employ others to manufacture tobacco, snuff, or cigars, without first obtaining the requisite permit therefor; that he will not engage in any attempt by himself or by collusion with others to defraud the government of any duty or tax on any manufacture of tobacco, snuff, or cigars; that he will render truly and correctly all the returns, statements, and inventories prescribed for manufacturers of tobacco, snuff, and cigars, and will pay to the Collector of the district all the duty or

taxes which may or should be assessed and due on any tobacco, snuff, or cigars, so manufactured, and that he will not knowingly sell, purchase, or receive for sale any such tobacco, snuff, or cigars, which has not been inspected, branded, or stamped as required by law, or upon which the tax has not been paid. Collectors will require this bond to be given before any license shall hereafter be issued, and it will be the duty of the manufacturer to prepare and furnish the bond. Forms of such bond will be furnished by this office.

JOSEPH J. LEWIS,
Commissioner.

[No. 153.]

Treasury Department, Office of Internal Revenue,
Washington, April 21, 1865.

DECISION WITH REFERENCE TO THE TAX ON IRON, COPPER, LEAD, SPELTER AND BRASS, AND ARTICLES MANUFACTURED THEREFROM.

Under the several clauses of the 94th section of the act of June 30, 1864, as amended by the act of March 3, 1865, the following rates of duty are imposed on iron, copper, lead, spelter and brass in the different states hereinafter named, accordingly as each metal at different stages is wrought from material which has been previously taxed, or from material on which no tax has been paid.

Whenever a manufacturer reduces iron or other metal from the ore, or advances it from one of the primary forms to a more advanced state, and afterwards uses or consumes the same in the production of manufactured articles, he is liable to pay the same tax thereon as if he removed it for sale.

Applying these provisions to the different metals in question, and the manufactures therefrom, we obtain the following schedule of rates:—

1. Pig-Iron, $2 40.
2. Blooms, slabs and loops from the ore, $3 60.
3. Railroad Iron, $3 60.
4. Do. do., re-rolled, $2 40.
5. Bars, or Rods, $3 60.
   Band, hoop, and sheet, not thinner than No. 18 wire gauge, and plate not less than one-eighth of an inch in thickness, $3 60.
6. Band, hoop, and sheet, thinner than No. 18, and plate less than one-eighth of an inch, $6 00.
   Do. do., from material taxed under No. 5, $2 40.
   Cut nails and spikes made from plate taxed under No. 5 or 6, $2 40.
   [If the manufacturer of the nails or spikes makes the plate from which the nails or spikes are cut, such plate will be taxed under No. 5 or 6, in accordance with the proviso to section 93.]
   Cut nails and spikes made from plate which has not been taxed under No. 5 or 6, $6 00.
   [Axe polls are subject to the same rates of duty and the same provisions as cut nails and spikes.]
7. Castings for bridges or other permanent structures, $3 60.
8. Stoves, and hollow ware, and castings, exceeding ten per cent, $3 60.
9. Rivets exceeding one-fourth of an inch, nuts and washers not less than two ounces each, and bolts exceeding five-sixteenths of an inch, $6 00.
   Rivets, nuts, washers and bolts made from iron taxed under No. 5 or 6, $2 40.
10. Railroad chairs, and railroad, boat, and ship spikes and tubes made from wrought iron, $6 00.
11. Axle bars, or rough forgings for car and wagon axles, car tire, shafting, cranks, anchors, &c., &c., made of blooms, slabs or loops, or of scrap iron, are taxable as bar iron under No. 5.

12. Finished car and wagon axles, car tire, and all manufactured articles from forgings as above, boilers of all kinds, water tanks, sugar tanks, oil stills, shafting, gearing, iron railings, gates, fences, furniture, statuary, and all other manufactures of iron not above enumerated or otherwise provided for, are to be taxed at the rate of six per cent ad valorem.
13. Wrought nails, including annealed nails, finishing nails, tacks, brads, and horse-shoe nails, wrought by hand or machinery, are liable to a duty of six per cent ad valorem.
14. Castings of iron less than ten pounds in weight, and malleable iron castings of all weights, are taxable as manufactures not otherwise provided for, at the rate of six per cent ad valorem.
15. Ingots, pigs, or bars of copper, lead or spelter, 3 6-10 per cent.
    Do. do. of brass made from taxed material, on increased value, 3 6-10 per cent.
    Do. do, do untaxed material, 3 6-10 per cent.
16. Rolled brass, rolled copper, yellow sheathing metal in rods or sheets, copper, zinc and brass nails or rivets, and shot, sheet lead, and lead pipes, made from copper, lead, spelter or brass, upon which a duty has been assessed and paid in the form of ingots, pigs or brass, 3 6-10 per cent.
    Do. do. made from copper, lead, spelter, upon which no duty has been assessed and paid in the form of ingots, pigs or bars, 6 per cent.
17. Zinc or spelter rolled from ingots, pigs or bars, 6 per cent.
18. Castings of copper, spelter, or brass, or of mixtures, or fusions of these metals, are liable, as manufactures not otherwise provided for, to an ad valorem duty of 6 per cent.
19. The law imposes a tax on the finished hull of a ship, steamboat, or other vessel, including cabins, inner and upper works, as a unit or entirety; and in like manner upon engines, locomotives, cars, carriages, and other articles. This does not, however, exempt iron and other materials, castings exceeding ten pounds in weight, which the law regards as a condition of iron, or nails, spikes, rivets, bolts, nuts, washers, spindles, screws, tubes, pipes, springs, axles, tires, cranks, shafts, boilers, &c., &c., which are manufactures of iron or other material, from their appropriate duties, when the same are made and used or consumed by the builder, manufacturer, or producer of any ship, engine, locomotive, car, carriage, or other article. The only exception to this rule is in the case of boilers for engines, for which the law specially provides, that when boilers shall have been once assessed and a duty paid thereon, the amount so paid shall be deducted from the duties on the finished engine.

[Special No. 11.]

RELATING TO THE SALE OF PLAYING CARDS IN THE ORIGINAL PACKAGE.

Treasury Department, Office of Internal Revenue,
Washington, April 5, 1865.

Assessors and Collectors are hereby informed, that, where the manufacturer of Playing Cards shall indicate by a mark upon the outside of the original package in which such Cards are sold, that stamps of a certain denomination are affixed to the respective packs enclosed in such package, in the view of this office it will not be consistent with the late act of Congress to require that any penalty shall be imposed upon jobbers, who may sell such Cards in the original and unbroken package thus marked by the manufacturer: *Provided*, That the price at which the Cards are sold by the jobber is such as is covered by the stamps said to be affixed.

Wherever any such package is broken, and the several packs exposed for sale,

it will be the duty of the holder to affix any additional stamps that may be required by the price at which he offers them for sale.

JOSEPH J. LEWIS,
Commissioner.

[Special No. 14.]

CONCERNING THE POST OFFICE ADDRESS OF TAX-PAYERS.

Treasury Department, Office of Internal Revenue,
Washington, April 27, 1865.

Assessors are instructed, in all cases where practicable, to enter the *Post Office address*, as well as the residence, of each tax-payer in their assessment lists.

As soon as the present supply of form 23 is exhausted, a new column will be introduced for this purpose, but for the present the old form will be filled as above directed, and two lines will be used when necessary.

JOSEPH J. LEWIS,
Commissioner.

TRADE WITH THE SOUTH.

RULES AND REGULATIONS CONCERNING COMMERCIAL INTERCOURSE WITH INSURRECTIONARY STATES.

EXECUTIVE ORDER.

Executive Chamber, Washington, April 29.

Being desirous to relieve all loyal citizens and well-disposed persons residing in insurrectionary States from unnecessary commercial restrictions, and to encourage them to return to peaceful pursuits, it is hereby ordered:

First,—That the restrictions upon internal and domestic commercial intercourse be discontinued in such parts of the States of Tennessee, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, and so much of Louisiana as lies east of the Mississippi River as shall be embraced within the lines of national military occupation, excepting only such restrictions as are imposed by acts of Congress, and regulations in pursuance thereof, prescribed by the Secretary of the Treasury, and approved by the President; and excepting also from the effect of this order the following articles contraband of war, to wit: arms, ammunition, and all articles from which ammunition is manufactured, gray uniforms and cloths, locomotives, cars, railroad iron and machinery for operating railroads, telegraph wires, insulators and instruments for operating telegraph lines.

Second,—That all existing military and naval orders in any manner restricting domestic and coastwise commercial intercourse and trade in the localities above-named be, and the same are hereby revoked; and that no military or naval officer in any manner interrupt or interfere with the same, or with any boats or other vessels engaged therein under proper authority pursuant to the regulations of the Secretary of the Treasury.

ANDREW JOHNSON.

RULES AND REGULATIONS.

Treasury Department, May 9, 1865.

With a view of carrying out the purposes of the Executive, as expressed in his executive order bearing date of April 29, 1865, "to relieve all loyal citizens and well-disposed persons residing in insurrectionary States from unnecessary commercial restrictions, and to encourage them to return to peaceful pursuits," the following regulations are prescribed, and will hereafter govern commercial intercourse between the States of Tennessee, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, and Louisiana, east of the Mississippi River, heretofore declared in insurrection, and the loyal States.

First,—All commercial transactions under these regulations shall be conducted under the supervision of officers of customs and others acting as officers of customs.

Second,—*Prohibited Articles.*—The following articles are prohibited, and none such will be allowed to be transported to or within any State heretofore declared in insurrection, except on government account, viz.: arms, ammunition, all articles from which ammunition is manufactured, gray uniforms and cloth, locomotives, cars, railroad iron and machinery for operating railroads, telegraph wires, insulators and instruments for operating telegraph lines.

Third,—*Amounts of Products Allowed, and Places to which such may be Transported.*—It having been determined and agreed upon by the proper officers of the War and Treasury Departments, in accordance with the requirements of section 9 of the act of July 2d, 1864, that the amount of goods required to supply the necessities of the loyal persons residing in the insurrectionary States, within the military lines of the United States forces, shall be an amount equal to the aggregate of the applications therefor: and that the places to which such goods may be taken, shall be all places in such lines that may be named in the several applications for transportation thereto: it is therefore directed that clearance shall be granted, on application by any loyal citizen, for all goods not prohibited, in such amounts and to such places, which, under the revenue and collection laws of the United States, have been created ports of entry and delivery in coastwise trade, as the applicant may desire.

Fourth,—*Clearance.*—Before any vessel shall be cleared for any port within the insurrectionary States, or from one port to another therein, or from any such ports to a port in the loyal States, the master of every such vessel shall present to the proper officer of customs a manifest of her cargo, which manifest shall set forth the character of the merchandise composing said cargo, and, if showing no prohibited articles, shall be certified by such officers of customs.

Fifth,—*Arrival and Discharge of a Cargo in an Insurrectionary State.*—On the arrival of any such vessel at the port of destination, it shall be the duty of the master thereof forthwith to present to the proper officer of the customs the certified manifest of her cargo, whereupon the officer shall cause the vessel to be discharged, under his general supervision; and if the cargo is found to correspond with the manifest, a certificate to that effect shall be given to the master. If there shall be found any prohibited articles, they shall be seized and held subject to the orders of the Secretary of the Treasury, and the officer shall forthwith

report to the department all the facts of the case; and any such vessel arriving from any foreign port, or from any domestic port, without a proper clearance, or with contraband articles, shall, with her cargo, be seized and held as subject to confiscation under the laws of the United States.

Sixth,—*Lading within, and Departure from, an Insurrectionary State.*—Vessels in ports within an insurrectionary State, not declared open to the commerce of the world, shall be laden under the supervision of the proper officer of the department, whose duty it shall be to require, before any articles are allowed to be shipped, satisfactory evidence that upon all merchandise the taxes and fees required by law and these regulations have been paid, or secured to be paid, which fact, with the amount so paid, shall be certified upon the manifest. No clearance shall be granted if upon any article so shipped the fees and internal revenue taxes, or either, shall only have been secured to be paid, such fact shall be noted upon the manifest, and the proper officer at the port of destination of such vessel, shall hold the goods till all such taxes and fees shall be paid according to law and these regulations.

Seventh,—*Supply Stores.*—Persons desiring to keep a supply store at any place within an insurrectionary State, shall make application therefor to the nearest officer of the Treasury Department, which application shall set forth that the applicant is loyal to the Government of the United States, and upon being convinced of such loyalty, a license for such supply store shall forthwith be granted, and the person to whom the license is given, shall be authorized to purchase goods at any other supply store within the insurrectionary States, or at any other point, as he may select. The party receiving such license shall pay therefor the license fee presented by the Internal Revenue Law.

Eighth,—*Exempted Articles.*—All articles of local production and consumption, such as fruits, butter, ice, eggs, meat, wood, coal, &c., may, without fee or restriction, be freely transported and sold at such points in an insurrectionary State as the owner may desire.

Ninth,—*Shipments of Products of an Insurrectionary State.*—All cotton not produced by persons with their own labor, or with the labor of freedmen or others employed and paid by them, must, before shipment to any port or place in a loyal State, be sold to and resold by an officer of the government especially appointed for the purpose, under regulations prescribed by the Secretary of the Treasury, and approved by the President; and before allowing any cotton or other product to be shipped, or granting clearance for any vessel, the proper customs officer, or other person acting as such, must require from the purchasing agent, or the internal revenue officer, a certificate that the cotton proposed to be shipped has been resold by him, or that 25 per cent of the value thereof has been paid to such purchasing agent in money, and that the cotton is therefore free from further fee or tax. If the cotton proposed to be shipped is claimed and proved to be the product of a person's own labor, or of freedmen or others employed and paid by them, the officer will require that the shipping fee of three cents per pound shall be paid or secured to be paid thereon. If any product other than cotton is offered for shipment, the certificate of the internal revenue officer that all the internal taxes due thereon have been collected and paid must be produced prior to such product being shipped or cleared, and if there is no

internal revenue officer, then such taxes shall be collected by the customs officer, or he shall cause the same to be secured to be paid as provided in these regulations.

Tenth,—*Inland Transportation.*—The provisions of these regulations, necessarily modified, shall be considered applicable to all shipments inland to or within the insurrectionary States by any means of transportation whatever

Eleventh,—*Charges*—Goods not prohibited may be transported to insurrectionary States free. The charges upon all products shipped or transported from an insurrectionary State other than upon cotton, shall be the charges prescribed by the internal revenue laws. Upon cotton other than that purchased and resold by the government, three cents per pound, which must be credited by the officer collecting, as follows, viz : two cents per pound as the shipping fee. All cotton purchased and resold by the government shall be allowed to be transported free from all fees and taxes whatsoever.

Twelfth,—*Records to be Kept.*—Full and complete accounts and records must be kept by all officers acting under these regulations, of their transactions under them in such manner and form as shall be prescribed by the Commissioner of Customs.

Thirteenth,—*Loyalty a Requisite.*—No goods shall be sold in an insurrectionary State by or to, nor any transaction held with, any person or persons, not loyal to the government of the United States. Proof of loyalty must be the taking and subscribing the following oath or evidence, to be filed, that it, or one similar in purport and meaning, has been taken, viz. :

I, ———, do solemnly swear, in presence of Almighty God, that I will hencefforth faithfully support, protect and defend the Constitution of the United States, and all laws made in pursuance thereof.

Fourteenth,—*Former Regulations Revoked.*—These regulations shall take effect, and be in force on and after the 10th of May, 1865, and shall supersede all other regulations and circulars heretofore prescribed by the Treasury Department concerning commercial intercourse between loyal and insurrectionary States, all of which are hereby rescinded and annulled.

HUGH McCULLOCH,
Secretary of the Treasury.

Executive Chamber, Washington, May 9, 1865.

The foregoing rules and regulations concerning commercial intercourse with and in States and parts of States declared in insurrection, prescribed by the Secretary of the Treasury, in conformity with the acts of Congress relating thereto, having been seen and considered by me, are hereby approved.

ANDREW JOHNSON.

OFFICIAL COPIES OF DECISIONS OF THE SECRETARY OF THE TREASURY UNDER THE TARIFF ACTS.

The following decisions made by the Secretary of the Treasury, of questions arising upon appeals by importers from the decisions of Collectors, relating to

the proper classification, under the Tariff acts, of certain articles of foreign manufacture and production entered at the port of New York, &c., have been sent us by the Secretary of the Treasury for publication:

ALLOWANCE FOR DRAFT.—TEA.

Treasury Department, November 1, 1864.

SIR: Messrs. E. D. MORGAN & Co. have appealed (No. 2,343) from your decision in relation to certain Tea imported by them ex steamship "Atalanta," and claim "that in adding $1,262 excess of invoice value, and levying thereon the 10 per cent ad valorem duty, amounts to $126 20, you have levied this amount unlawfully, and that our entry should be liquidated without this addition of $126 20. We claim that this excess in value is made up by an apparent excess in weight, which arises from the different mode of weighing by the U. S. weighers, who weigh a large number of packages at one draft, whereas the invoice weight is the aggregate of each package weighed separately, with allowance for draft; and consequently the invoice represents the true and legal ad valorem value for the assessment of the 10 per cent discriminating duty laid on Teas and other articles from east of the Cape of Good Hope, when imported from places west of the Cape of Good Hope."

Under existing laws no allowance is made for "draft," and the weight returned by the U. S. weighers determines the number of pounds imported. The value is determined by the appraisers.

In the case of E. D. MORGAN & Co., the weighers found the weight of the Tea per steamer "Atalanta" to be in excess of that stated in the invoice, and the appraisers found the value or price per pound as stated in the invoice to be correct; consequently the specific duty on the increased weight, and the 10 per cent on the value of said increase, both attach.

If it be shown that the usage in a foreign country is, on the purchase of 100 lbs. of Tea, to deliver 105 lbs., the answer is that the tariff levies a duty upon the Tea imported, and the gift or concession for good weight or allowance for draft, &c., &c., is as liable to duty as any five pounds purchased; the price *per pound* being fixed by the invoice, (below which duty cannot be levied,) and the duty must be charged at the actual and not invoice weight.

Your decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To Simeon Draper, Esq.,
Collector, New York.

MANUFACTURES OF CORAL.

Treasury Department, November 2, 1864.

SIR: Messrs. BIGELOW BROTHERS & KENNARD have appealed (No. 2,388) from your decision assessing duty at the rate of 30 per cent ad valorem on certain Manufactures of Coral, imported by them in the steamer "Africa," from Liverpool, August, 1864, and claim that they "should pay a duty of but 25 per cent, being of a similar description of other jewelry set in gold."

Under the 22d section—act March 2, 1861—"coral cut or manufactured" is liable to duty at the rate of 30 per cent ad valorem.

The article in question (samples of which have been examined by the experts of this Department) are invoiced and entered as "coral goods," and are commercially known as such; the fact that they are gold mounted, and are to be used for the adornment of the person—such ornamentation not being sufficiently

material to change their character—do not entitle them to be classified as "jewelry."

Your decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To J. Z. Goodrich,
Collector, Boston, Mass.

STEEL SPECTACLES.

Treasury Department, November 5, 1864.

SIR: Messrs. BECKEL & BROTHERS have appealed (No. 2,401) under date of October 25, 1864, from your assessment of duty at the rate of 45 per cent on certain Spectacles imported per steamer "City of Washington," from Liverpool.

The appellants claim that the frames of the above articles are manufactured of *iron*, and are entitled to entry at the rate of 35 per cent.

The experts of the Customs report, after a thorough examination of the article in question, that they are manufactured of *steel*, and consequently the assessment of duty at 45 per cent was perfectly proper.

Your decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To Simeon Draper, Esq.,
Collector, New York.

TOYS, DOLLS, &C.

Treasury Department, November 12, 1864.

SIR: Messrs. H. F. ALBERTI & Co. have appealed (No. 2,400) from your decision assessing duty at the rate of 50 per cent ad valorem. (under the classification of "wooden and all other toys for children," found in the 12th section of the act approved June 30, 1864,) on certain "Common Marbles," "Magic Lanterns," and "Dolls," imported by them, and claim to enter them at 35 per cent ad valorem.

"Common Marbles" are undoubtedly "toys for children," under the above section, if of such size, material, and general character, as would render them suitable for the play or amusement of children only. If of a description and character to indicate their fitness for philosophical purposes, or for the amusement or instruction of grown persons, they should not be classified as "toys for children," but according to the materials of which they are composed; and as glass forms a part of the article, they should be classified as manufactures of which glass is a component material, not otherwise provided for, at 40 per cent ad valorem, under the concluding clause of section 9, act approved June 30, 1864.

"Dolls" are specifically provided for by name in the 13th section of the act of July 14, 1862, in this connection: "dolls and toys of all kinds;" and I am of the opinion that the language in the 12th section of the act approved June 30, 1864, viz.: "On wooden and all other toys for children," cannot be held to include "Dolls;" and that they are consequently liable to duty under the 13th section of the act of July 14, 1862, at the rate of 35 per cent ad valorem.

You are hereby instructed to adjust the entries of Messrs. H. F. ALBERTI &

Co. accordingly, provided the requirements of the 14th section of the act approved June 30, 1864, have been complied with.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To H. W. Hoffman, Esq.,
Collector, Baltimore, Md.

DAMAGE ON IRON AND STEEL.

Treasury Department, November 18, 1864.

SIR: Messrs. PETER WRIGHT & SONS have appealed (No. 2,415) from your decision assessing duty upon certain Iron and Steel recovered from the wreck of the ship "James Smith," wrecked in Delaware Bay, and claim that, although under the law no allowance for damage to Steel and Iron can be made when such articles are damaged by salt water while in ordinary transit, the law should be construed so as not to apply in cases where a ship is actually stranded, and heavy expenses are incurred by the owners in recovering the goods.

The 3d section of the act of July 14, 1862, provides "that no allowance or reduction of duties for partial loss or damage shall be hereafter made in consequence of rust of iron or steel, or upon the manufactures of iron or steel, except on polished Russia sheet iron."

The provision of law is unconditional, and consequently, the assessment of duty on the Iron and Steel in question was perfectly proper; and your decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To Wm. B. Thomas, Esq.,
Collector, Philadelphia, Pa.

WOOL.—ALLEGED MISREPRESENTATION OF QUALITY IN THE INVOICE.

Treasury Department, November 19, 1864.

SIR: Messrs. FITZGERALD, BOOTH & Co. have appealed (No. 2,411) from your decision assessing a duty of six cents per pound on certain Wool imported by them, claiming that "it was found, after a careful examination by experts and wool brokers and merchants, to be of inferior quality, and under a correct and true valuation, that it should only pay the duty of 3 cents per pound."

An examination of the facts in the case discloses that Messrs. FITZGERALD, BOOTH & Co. imported, on or about July 8, 1864, per barque "George & Henry," a quantity of Wool, in bulk; that subsequently an entry was made as per invoice, and the duty finally adjusted and paid, and the Wool passed into the possession of the importers.

Messrs. FITZGERALD, BOOTH, & Co. now allege that a further examination of the Wool proved a less quantity of Wool, upon which a duty of six cents per pound had been paid, was received, and a greater quantity of a commoner grade, upon which three cents per pound had been paid, and claim to have the difference of duty returned to them.

I am of the opinion that the Wool in question, having passed out of the possession of the officers of the Government, thereby rendering an identification of it impossible, coupled with the fact, that the entry was adjusted on the basis of the invoice values, no return of an alleged excess can be made.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To H. W. Hoffman, Esq.,
Collector, Baltimore, Md.

CROCHET NEEDLES.

Treasury Department, November 22, 1864.

SIR: KOHLSAAT, BROTHERS have appealed (No. 2,426) from your decision assessing duty at the rate of 45 per cent ad valorem on certain "Crochet Needles" imported by them, and claim that the article is liable to 25 per cent ad valorem only.

Under the 13th section of act July 14, 1862, "Needles, sewing, darning, knitting, and all other descriptions," were liable to 25 per cent ad valorem duty.

Under section 3 of the act approved June 30, 1864, a duty of one dollar per thousand, and, in addition thereto, 35 per centum ad valorem, is imposed on "Needles for knitting or sewing machines."

It thus appears that needles for knitting machines, and needles for sewing machines, are the only description of needles provided for in the act approved June 30, 1864, and I am of the opinion that the "Crochet Needles" imported by Messrs. KOHLSAAT, BROTHERS, being unfit for use in knitting machines, are sufficiently designated in the term "all other descriptions" in the 13th section of act July 14, 1862, and are liable to duty at the rate of 25 per cent ad valorem.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To Simeon Draper, Esq.,
Collector, New York.

WORSTEDS.—IN WAREHOUSE JULY 1, 1864.

Treasury Department, November 22, 1864.

Gentlemen: Your appeal (No. 2,428) from the decision of the Collector at New York, assessing duty under the provisions of the act approved June 30, 1864, on certain Worsteds, imported by you per steamer "Persia." in April, 1864, and withdrawn from warehouse November 14, 1864, is received.

You claim "that the additional duty cannot be levied legally upon merchandise imported prior to the passage of the act levying it," &c.

The 19th section of the act approved June 30, 1864, is as follows:

"*And be it further enacted*, That all goods, wares, and merchandise which may be in the public stores or bonded warehouses on the day and year this act shall take effect, shall be subjected to no other duty upon the entry thereof for consumption than if the same were imported respectively after that day," &c.

You will perceive that the action of the Collector was strictly in accordance with the above section, and his decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To Messrs. D. H. & M. Arnold,
New York.

ANILINE COLORS.—PENAL DUTY.

Treasury Department, November 29, 1864.

Gentlemen: Your appeal (No. 2,441) is received from the decision of the Collector at New York, assessing certain duty on five cases Aniline Colors imported by you in September last.

The Collector at New York reports "that the U. S. Appraisers of this district advanced the invoice value of the goods in question *more than* 10 *per cent*, to make market value; and that an appeal was taken by the importers to reappraisers as provided by law; and that the re-appraisers advanced the invoice

value 30 per cent to make market value. The additional duty and penalty complained of by your appellants were exacted accordingly."

An appraisement thus determined is final under the law, and consequently the action of the Collector is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To Messrs Lenning & Clemm,
Philadelphia, Pa.

BUTTONS.

Treasury Department, November 30, 1864.

SIR: Messrs. WALMSLEY BROTHERS have appealed (No. 2,418) from your decision assessing duty at the rate of 50, 45, and 40 per cent on certain silk, steel, and other "Buttons," respectively.

By the 22d section of act of March, 1861, "buttons of all kinds" are provided for at 30 per cent ad valorem. By the 2d section of act August, 1861, it is provided that "silk" Buttons shall pay 40 per cent ad valorem.

The subsequent acts of July, 1862, and June 30, 1864, make no other or different provision for *Buttons* of any description; the claim of the appellants to be allowed to enter the silk Buttons at 40 per cent., and all other kind of Buttons at 30 per cent is consequently in accordance with the law and the ruling of this Department.

You are respectfully requested to adjust the entry in conformity herewith.

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To Luther Haven, Esq.,
Collector, Chicago, Ill.

GREEN TOW YARN, (SO-STYLED.)

Treasury Department, December 2, 1864.

SIR: R. H. BOLSTER, Esq., in behalf of Messrs. J. E. TODHUNTER & Co. has appealed (No. 2,417½) from your decision assessing duty at the rate of 40 per cent ad valorem on eighteen bales of "Green Tow Yarn," imported by them from Dublin per ship "Tonawanda," and claims that two bales thereof, being "No. 8 lea," and valued less than 24 cents per lb., are subject to a duty of only 30 per cent ad valorem, and the other sixteen bales which exceed "No. 8 lea," and also valued at less than 24 cents per lb., are subject to a duty of 35 per cent ad valorem.

Your report corroborates the statement of the appellants as to the character of the Yarn in question, and your opinion is expressed that the claim to enter the two bales "No. 8 lea" at 30 per cent is perfectly proper, that being the rate imposed on such Yarn, for carpets, by the 1st sub-division sec. 7, act June 30, 1864.

You are therefore directed to adjust the entry of the two bales accordingly. The sixteen bales were properly assessed at 40 per cent. as provided in same section, in the clause "all other manufactures of flax or of which flax shall be the chief value, not otherwise provided for."

I am, very respectfully,

W. P. FESSENDEN,
Secretary of the Treasury.

To Wm. B. Thomas, Esq.,
Collector, Philadelphia, Pa.

WOOL CAPS.

Treasury Department, December 3, 1864.

Gentlemen: Your appeal (No. 2,424) from the decision of the Collector at New York assessing a duty of 40 per cent ad valorem and 24 cents per pound on certain "Wool Caps," imported per steamers "Hecla" and "New York," is received.

You submit samples, and "claim that they are knitted and made on a frame exactly in the same manner as wool hosiery is manufactured," and "should pay the same duty of 30 per cent ad valorem and 20 cents per pound." &c.

The article in question is made up from woolen cloth, silk, cotton and leather by the tailor, seamstress, or manufacturer.

In the 2d sub-division of section 5 of the act approved June 30, 1864, there is a provision for "clothing, ready made, and wearing apparel of every description, composed wholly or in part of wool, made up or manufactured wholly or in part by the tailor seamstress, or manufacturer, except hosiery," and a duty of 40 per cent ad valorem and 24 cents per pound is imposed thereon.

Under this provision of law the Collector assessed the duty on the Caps in question, and his decision is hereby affirmed.

By order. I am, very respectfully,

GEO. HARRINGTON,
Assistant Secretary of the Treasury.

To Messrs S. Wolff & Co.,
No. 53 Broadway, New York.

CHAMPAGNE WINE.

Treasury Department, December 13, 1864.

Gentlemen: Your appeal (No. 2,443) in behalf of Messrs. STEHN & WULFING, from the decision of the Collector at New York, assessing penal duty on certain Champagne Wine imported by them per "Notre Dame des Victoires," is received.

You claim, firstly, that "said Champagne being chargeable with duty at the rates specified in section 2, of the act of Congress approved June 30, 1864, to wit: at the rate of six dollars per dozen bottles, and two cents for each bottle, is not by law subject to the payment of the additional or penal duty demanded."

Secondly, "because said Champagne being subject to the payment of specific duties, the provisions of section 23, of the act of Congress approved June 30, 1864, levying in certain cases additional duty of twenty per centum, do not apply.

The 1st sub-division of the 2d section of the act approved June 30, 1864, imposes "on wines of all kinds, valued at not over fifty cents per gallon, twenty cents per gallon, and twenty-five per centum ad valorem; valued at over fifty cents and not over one dollar per gallon, fifty cents per gallon, and twenty five per centum ad valorem; valued at one dollar per gallon, one dollar per gallon and twenty-five per centum ad valorem. *Provided*, That no Champagne or Sparkling Wines, in bottles, shall pay a less rate of duty than six dollars per dozen bottles, each bottle containing not more than one quart and more than one pint, or six dollars per two dozen bottles, each bottle containing not more than one pint." On the entry of the Wine in question a duty of six dollars per dozen bottles, and two cents on each bottle was paid, under the 1st sub-division of section 2, of the act approved June 30, 1864, as above quoted.

The value of the Wines was subsequently appraised, and it was found to exceed by ten per centum or more the entered value, and the additional (or penal) duty of twenty per centum ad valorem was exacted.

The duty on "Champagne or Sparkling Wines, in bottles," is not exclusively specific; the same schedule which governs "all other wines," as provided for in section 2, above quoted, governs "Champagne or Sparkling Wines, in

bottles," but a provision of the law directs that said wines shall not pay a *less rate of duty* than six dollars per dozen bottles, &c., &c. Unquestionably, if the value justifies it, they must pay *more.*

It will be seen, therefore, that the duty depends, to a certain extent, upon the value, and hence "Champagne and Sparkling Wines, in bottles," are clearly articles upon which the appraisers must pass judgment. If they decide that the dutiable value exceeds the entered value by 10 per centum or more, it is quite immaterial whether or not the regular duty be increased by the advance. I am of the opinion the additional or penal duty properly attaches.

The decision of the Collector is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN, Secretary of the Treasury.

To Messrs. Webster & Craig,
Attorneys for Messrs. Stehn & Wulfing, New York.

BONE KAMP BITTERS, &C.

Treasury Department, December 29, 1864.

SIR: Messrs. VAN PRAAG & Co. have appealed (No. 2,464) from your decision assessing duty at the rate of 100 per cent ad valorem on certain "Bone Kamp of Maag Bitters" and "Pommerance Spirits," agreeably to a classification adopted in New York, (into which port the articles in question were imported.) viz.: "Spirituous liquors not otherwise enumerated" under the sixth sub-division of the 2d section of act approved June 30, 1864.

The appellants claim that they should be admitted at $2 per gallon under the 2d sub-division of 2d section of act approved June 30, 1864, as "Spirits manufactured or distilled from grain or other materials."

The articles in question are commonly known as "Bitters," and are composed of alcohol and aromatic substances; they bear a similitude in some respects both to "spirituous *beverages*" and "spirituous *liquors*," provided for in the 2d section of the act approved June 30, 1864, but mostly resembling the latter, and therefore, according to the 20th section of the act of 1842, should pay according to the enumerated article "paying the highest rate."

The classification of the Collector at New York, and your assessment of duty at the rate of 100 per cent ad valorem, agreeably thereto, are hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN, Secretary of the Treasury.

To J. Z. Goodrich, Collector, Boston, Mass.

IRON WIRE RODS—IN COILS.

Treasury Department, January 4, 1864.

SIR: The appeals of Messrs. WILLIAM E. RICE & Co. (Nos. 2,363 and 2,364) are received, dated September 2, 1864, from your decision assessing a duty of one and a-half cents per pound on certain "Iron Wire Rods, in Coils," imported ex "Herald of the Morning" and "Golden Hind."

The article in question is rolled down bar iron, in shape round, one quarter inch in diameter, bent into a coil.

The appellants allege that the article is specially provided for at one and a quarter cents per pound as "rolled or hammered iron, not otherwise provided for."

Under previous tariffs it was decided that "steel in coils," was not "steel in bars," and hence there would appear to be some ground for the claim of the appellants. A careful examination, however, of the letter of the law shows that the phraseology in reference to steel differs from that relating to iron; the law speaks of *steel in bars*, and of *bar iron*.

There is more than a verbal distinction between *bar iron* and *iron in bars*, and it follows, consequently, that the present question is whether "rounds less than

three-quarters of an inch in diameter" cease being rounds less than three-quarters of an inch, &c., by being bent into a coil.

The language of the "steel clause" in the act approved June 30, 1864. will be found to include "*Coils*," doubtless because the phraseology *as to description* has been mainly copied from former acts, but the word "Coils" is not included in the iron clause of same act, unquestionably because it was understood that iron in coils was embraced in the somewhat general term of "bar iron."

The decision of the Collector is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN, Secretary of the Treasury.

To J. Z. Goodrich, Esq., Collector, Boston, Mass.

WINES—DUTY ON BOTTLES.

Treasury Department, January 4, 1865.

SIR: The appeal of JAMES DE FREMERY, (No. 2,407,) dated September 9, 1864, from your decision assessing certain duty on five hundred and ninety (590) cases of claret, and one hundred and forty-six (146) cases white wine, imported on the 27th July, 1864, in the French bark "Cesambre," from Bordeaux, is received.

The ground of appeal in this case is, that in ascertaining the dutiable value of the wine in question, under the 24th section of the act approved June 30, 1864, you included the value of the bottles, boxes, &c., in the value of the wine; and that you have assessed a duty of two cents each on the bottles.

The appellant claims that "under the first subvision of section 2, act approved June 30, 1864, the specific duty of 20 cents, 50 cents, and $1, respectively, should be regulated by the value of the wine *without* including therein the value of boxes and bottles or other charges; said duty is regulated by the value of the wine itself * * * , and the 24th section does not * * * apply to the manner of determining said specific duties for the reason that it relates exclusively to dutiable value.

The 24th section, above alluded to, provides in very explicit language, that in determining the value of goods, &c., upon which duties are to be assessed, the actual value of such goods on shipboard at the last place of shipment to the United States, shall be deemed their dutiable value; and this value includes every expense attending the transportation of the goods from their places of production to the place of shipment, together with the value of the boxes, bottles, &c., in which such goods are contained.

There is but this one rule given for ascertaining the dutiable value of goods, &c., imported, and there can be but one dutiable value, for the same goods, whether the duty to be assessed is specific, according to value, or ad valorem. Therefore the same valuation must attach to the wine for the purpose of the specific duty, per gallon, as for the ad valorem duty.

The words in the 24th section, "except as hereinbefore provided," have special reference to the exception in favor of wool, &c. See section 4, act approved June 30, 1864.

The cost of the bottles, boxes, &c., and charges were therefore properly embraced as part of the value of the wines; and no duty being assessed on the bottles, *as bottles*, it follows as a matter of course the duty of two cents each as provided in section 2 of said act properly attaches.

Your decision is hereby affirmed.

I am, very respectfully,

W. P. FESSENDEN, Secretary of the Treasury.

To Charles James, Esq., Collector, San Francisco, California.

IRON BANDS ON SHEET IRON—TARE ALLOWED.

Treasury Department, January 4, 1865.

SIR: Messrs. AYMAR & Co. have appealed (No. 2,452) under date December

8, 1864, from your decision assessing a duty of 3 cents per pound on the "Iron Bands," which they allege secured the sheets of iron imported by them per "Heiress" and "Telegraph" from St. Petersburg, Russia. They further allege that the iron bands in question "are simply common hoops of the poorest iron; are worth nothing to the importer, or to any body else, except as a common description of old iron, and as such would not bring as much as the duty;" and that hitherto such bands have always been deducted as *tare*.

I am informed it is the uniform practice at other ports to consider iron bands brought into the country, under the circumstances as above stated, as tare.

The bands in question, it appears, are of but trifling value; are absolutely necessary to insure the safe transportation of the sheets of iron; are not deemed to be an item of expense to the importer; and are thought to be no more liable to duty than iron hoops around casks or boxes, the contents of which pay specific duties only, uninfluenced by value. In my opinion the bands should be considered *tare*, and you are hereby instructed to adjust the entry accordingly.

I am, very respectfully,

W. P. FESSENDEN, Secretary of the Treasury.

To Simeon Draper, Esq., Collector, New York.

DROSS LEAD, (SO STYLED.) CLASSIFIED LEAD ORE.

Treasury Department, January 16, 1865.

SIR: Your appeal (No. 2,479) is received, dated January 9, 1865, in behalf of Messrs. J. J. CROOKE & Co., from the decision of the Collector at New York, assessing a duty of one and one-half cents per pound on certain "Dross Lead," (so styled,) imported per ship "Universe," from Liverpool. You claim that the article in question, being raw or unmanufactured, is liable to a duty of 10 per cent only.

The experts of the customs have classified the article as "lead ore," and report, that "although it varies from some of the descriptions of lead ores, and may not in all respects come up to the quality found in the usual article in commerce, it is of a character that cannot be treated otherwise than our (their) classification indicates."

From the facts given by the appraisers, I think there can be no doubt that the article in question is liable to a duty of one and one-half cents per pound, by virtue of the 20th section of the act of August 30, 1842.

The decision of the Collector is hereby affirmed.

By order. I am, very respectfully,

GEO. HARRINGTON, Assistant Secretary of the Treasury.

To S. P. Russel, Esq.,
No. 39 Wall Street, Jauncey Court, New York,
Attorney for Messrs. J. J. Crooke & Co.

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